

Exam Date &amp; Time: 30-Sep-2020 (02:00 PM - 05:45 PM)



## PSG COLLEGE OF ARTS AND SCIENCE

Note: Writing 3hrs: Checking & Inserting Image : 30mins+ Grace Time : 15mins

MA DEGREE EXAMINATION MAY 2020  
(Fourth Semester)

Branch - ECONOMICS

DISCIPLINE SPECIFIC ELECTIVE - II - ECONOMICS FOR COMPETITIVE EXAMINATION  
[19ECP19B]

Marks: 75

Duration: 225 mins.

### SECTION - A

Answer all the questions.

- 1) Economics is "on the one side, a study of wealth and on the other, and more important side, part of study of man". This is stated by
  - (i) Adam Smith
  - (ii) Alfred Marshall (1)
  - (iii) Robbins
  - (iv) Samvelson
  
- 2) General equilibrium approach was developed by Leon Walras in
  - (i) 1874
  - (ii) 1880
  - (iii) 1920 (1)
  - (iv) 1936
  
- 3) The foundation of modern Macro economics was laid by a British economist
  - (i) John Maynard Keynes
  - (ii) J. R. Hicks
  - (iii) Robert Son (1)
  - (iv) Mrs. Joan Robinson
  
- 4) The money multiplier is the ratio the money supply to the
  - (i) Price base
  - (ii) Productivity base
  - (iii) Growth base (1)
  - (iv) Monetary base
  
- 5) The most appropriate measure of a country's economic growth is its
  - (i) Gross domestic product
  - (ii) Net domestic product (1)
  - (iii) Net national product
  - (iv) Percapita real income
  
- 6) Mah bub-ul Haq developed the concept of
  - (i) Principles of population studies (1)
  - (ii) Balanced growth

- (iii) Human development index  
(iv) Capital freedom
- 7) The Breeton woods system was  
(i) Preceded the Gold standard  
(ii) Identical to gold standard  
(iii) Established after world war II  
(iv) Lasted until - 1982 (1)
- 8) Name the economist who listed eight effects of tariff  
(i) Metzler  
(ii) Kindle Berger  
(iii) Prebisch  
(iv) H. G. Johnson (1)
- 9) The national income of a country for a given period is equal to the  
(i) Total value of goods and services produced by the nationals  
(ii) Sum of consumption and investment expenditure  
(iii) Sum of personal income of individuals  
(iv) Money value of goods and services (1)
- 10) The main aim of new industrial policy of 1991 was to  
(i) Remove restriction of MRTP act  
(ii) Dismantle the public enterprises  
(iii) Remove restriction on foreign direct investment  
(iv) Unshackle the Indian industrial economy from unnecessary bureacecratic controls (1)

### SECTION - B

Answer all the questions.

- 11) State the marginal productivity theory of distribution. (5)
- a)  
[OR] Explain Hick's logical theory of demand preference hypothesis. (5)  
b)
- 12) Supply creates its own demand. Explain. (5)
- a)  
[OR] Discuss the instruments of fiscal policy? How do they work? (5)  
b)
- 13) Explain in detail the physical quality life index (PQL - I) (5)
- a)  
[OR] Classify economic development and economic growth. (5)  
b)
- 14) Write a short note on foreign trade multiplier. (5)
- a)

- [OR] Explain basic criterion for imposition of tariff. (5)  
b)
- 15) Illustrate factors affecting velocity of circulation of money. (5)  
a)
- [OR] Explain the methods of repayment of public debt. (5)  
b)

### SECTION - C

**Answer all the questions.**

- 16) Discuss the price output determination under monopolistic competition. (8)  
a)
- [OR] Critically analyse the law of diminishing marginal utility. (8)  
b)
- 17) Discuss the Keynesian theory of income and employment. (8)  
a)
- [OR] Examine Baumol's approach to transactions demand for money. (8)  
b)
- 18) Discuss vicious cycle of poverty. (8)  
a)
- [OR] Determine impediments in the economic development of under developed countries? (8)  
b) How can they be rewards?
- 19) Examine the factors affecting terms of trade. (8)  
a)
- [OR] Analyse the impact of tariff on economic development of a nation. (8)  
b)
- 20) Discuss the special features and sector wise allocations in the recent union budget for the year 2020 -- 2021. (8)  
a)
- [OR] Describe the methods of measuring national income. (8)  
b)

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