

BIRLA INSTITUTE OF TECHNOLOGY AND SCIENCE PILANI, K K BIRLA GOA CAMPUS

FIRST SEMESTER 2019-20

MID SEMESTER EXAMINATION

ISSUES IN ECONOMIC DEVELOPMENT (ECON F313)

Date-5/10/2019

Time-4PM-5.30PM

Max Marks-30

Instructions: Answer all questions. Mere 'yes' or 'no' would not get marks. Substantiate your answers. Marks can be deducted for not following the Hints. Give diagrams and equations.

- Q1a-Outline the equations and explain how knowledge is the source of growth in an economy? [Hint: Not more than 5 sentences, exclusive of the equations] (6M)
- Q1b-Do you think that a theory of technological progress must conform to a perfectly competitive scenario? (2M)
- Q1c- What implications diffusion holds for technical progress, if at all? (2M)
- Q2a-Mathematically explain how externalities are captured in a growth model? (5M)
- Q2b-Diagrammatically explain how complementarities are explained through capital accumulation model leading to multiple equilibrium? (5M)
- Q3a 'It is easier to generate a new fashion than to pull an economy out of co-ordination failure'. Explain through accepted development parameters (3M)
- Q3b- What are the ethical criteria for assessing inequality? Why so, explain through equations? (4M)
- Q3c-Should a Lorenz feature give rise to multiple criteria for assessment/evaluation? (3M)