M. Phil Examination, 2019
Semester-II
Economics
Course : P-3 (Elective)

Time : 3 Hours **Full Marks : 80**

Questions are of value as indicated in the margin

Answer any two Groups

Group – A (Advanced Topics in Growth and Development II)

Answer **any two** questions

1. Consider a two country Solow model with perfect international capital mobility and analyse the stability problem of the long run equilibrium. 20
2. Show that the long-run equilibrium is a saddle point in the Ramsey-Solow model. 20
3. What is the difference between Endogenous Technical Progress and Exogenous Technical Progress? Explain different types of Exogenous Technical Progress. Which type of Exogenous Technical Progress is consistent with stability of steady state? Explain in detail. 2+6+12=20
4. Discuss the consequences of introducing human capital in Solow model. 20

Group – B (Sustainability and Economic Policy)

Answer **all** questions

1. Explain the relationship between economic growth and sustainable development. 10
2. Explain the different kinds of valuation techniques of the environment. 10
3. Discuss any local issue of natural resource problem in India (example could be groundwater, air, loss of forestry, etc.) with regards to sustainability. Explain in your own words how you would solve the problem. 7+3=10
4. Write short notes on the following: 5+5=10
   a) Biodiversity loss b) Ecological Services

Group-C (International Trade Theory II)

Develop a standard oligopolistic model of firms where rivalry among them itself induces international trade. Explain why the competing firms end up with reciprocal dumping in foreign markets for respective firms. Finally analyze the welfare implications of such trade. 10+20+10=40

Group-D (Indian Economics II)

Answer **any two** questions

1. Critically discuss the impact of demonetization policy that was implemented in Indian on November, 2016. 20
2. Critically analyse the government of India’s objective to reduce fiscal deficit in order to restrain the rising prices and interest rate. 20
3. Briefly discuss agrarian crisis as a cause of slow industrialization in India. 20
4. What are the alternative hypothesis of industrial stagnation in India since mid 1960s. 20