

MAY 2006 Paper I - MICRO ECONOMIC ANALYSIS

Time : Three hours

Maximum: 100 marks

SECTION A - (4 x 10 = 40 marks) Answer any FOUR questions.

Answer for each question should not be less than a page.

1. Explain static and dynamic analysis in Economics.
2. What are the uses of the concept, price elasticity of demand?
3. How is Consumer's Equilibrium defined under Marshallian cardinal utility analysis?
4. Describe the concept of Consumer's Surplus.
5. Define Elasticity of substitutability between inputs. What are the uses of this concept?
6. How does the shape of production possibility curve change depending on the returns to scale?
7. What are the features of perfect competition?
8. Define the concept of Social welfare and explain its meaning.

SECTION B - (3 x 20 = 60 marks) Answer any THREE questions.

9. Explain how consumer reaches equilibrium under Hicksian Indifference Curve Analysis.
10. Describe any ten properties of Cobb-Douglas Production Function.
11. Elucidate the relationship between average cost and marginal cost curves with a suitable diagram.
12. Explain the first and second order conditions for a firm to be in equilibrium under perfect competition.
13. Elucidate Baumol's sales maximization model.
14. Enunciate in detail the Walrasian General Equilibrium Analysis.

MAY 2006 Paper II - MACRO ECONOMIC ANALYSIS

Time: Three hours

Maximum: 100 marks

SECTION A - (4 x 10 = 40 marks)

Answer any FOUR questions. Answer for each question should be about 1 page.

1. Give input accounting of national income.
2. Give the Applications of Keynes law of consumption.
3. Explain long run analysis of marginal efficiency of capital.
4. What are the determinants of money multiplier?
5. Explain briefly quantity theory of money.
6. State Baumol-Tobin model of demand for money.
7. Analyse Kaldor's theory of business cycle.
8. Discuss the criticisms of Philips curve.

SECTION B - (3 x 20 = 60 marks)

Answer any THREE questions. Answer for each question should be of 3 pages.

9. Analyse relative income. hypothesis approach to consumption.
10. How does RBI determine the supply of money?
11. Elucidate the relative merits of monetary policy and fiscal policy with IS-LM model.
12. Explain any two theories of inflation.
13. Discuss Samuelson's theory of business cycle.
14. State the features of new classical macroeconomics.

MAY 2006 Paper III - PUBLIC ECONOMICS

Time: Three hours

Maximum: 100 marks

SECTION A - (4 x 10 = 40 marks) Answer any FOUR questions.

All questions carry equal marks.

1. Distinguish between private goods and merit goods.
2. What are the problems of allocating resources?
3. Explain Musgrave's principle of budget planning.
4. What is multipoint and single point tax?
5. Point the differences between public debt and private debt.

6. State the objectives of fiscal policy and price stability.
7. Bring out the sources of revenue of local bodies.
8. Explain the causes for decreasing investment in public sector industries in India.

SECTION B - (3 x 20 = 60 marks)

Answer any **THREE** questions. **All** questions carry equal marks.

9. Discuss the role of Government in a mixed economy. How far it has been succeeded in India?
10. Critically examine the principles of public debt repayment management.
11. Assess the inter-dependence of Fiscal and Monetary policies for promoting economic development of developing countries.
12. Describe the allocation of financial resources between the centre and states in India. State its main problems.
13. Assess the non-tax revenues of centre, states and local bodies in India.
14. Examine the recommendations of the Tenth Finance Commission of India.

Paper IV - INDIAN ECONOMIC POLICY

Time: Three hours

Maximum: 100 marks

PART A - (4 x 10 = 40 marks) Answer any **FOUR** questions.

Answer to each question should be not less than a page.

1. What are the shortfalls of income oriented measures in measuring Economic Development?
2. State the role of human resource development in Economic Development.
3. Write the reasons for low productivity in Indian Agriculture.
4. Write an essay on "macro economic" measures to stabilize Indian Economy.
5. State the reasons for "Industrial Sickness".
6. List out various measures to curb inflation.
7. What are MNCs? Explain the role played by them in the Indian Economy.
8. What do you understand by the term "Liberalisation",?

PART B - (3 x 20 = 60 marks) Answer any **THREE** questions.

Answer to each question should not be less than 3 pages.

9. Write an essay on "Parallel economy" India. Explain various control measures taken by the Government in the recent past.
10. Explain programmes and policies adopted by the Government to eradicate poverty and to reduce income inequality.
11. Write a detailed essay on policy changes in Agriculture Finance in view of developing agriculture.
12. Write an essay on importance of "food security" in a country. Mention India's Policy towards that and its shortfalls.
13. Explain the importance of "small scale" sector and the role played by it in the Indian Economy.

MAY 2006 Paper V - QUANTITATIVE METHODS

Time : Three hours

Maximum: 100 marks

SECTION A - (4 x 10 = 40 marks) Answer any **FOUR** questions.

Answer to each question should be not less than a page.

1. 'The arithmetic mean is the best among all averages' - Give reasons.
2. What is a measure of dispersion? Discuss its uses.
3. Explain clearly the significance of Regression Analysis.
4. What are the causes of sampling error?
5. Explain the meaning of derivative.
- 6.

Solve the equations $\frac{1}{x+7} + \frac{1}{x+3} = \frac{6}{5}$.

7. Find Rank Correlation coefficient for the following data:

x : 35 12 16 12 8 10

y : 7 11 9 12 15 14

8. A bag contains 8 white and 4 red balls. While drawing 5 balls, what is the probability that 2 of them are red and 3 white?

SECTION B - (3 x 20 = 60 marks) Answer any THREE questions.

Answer to each question should be not less than 3 pages.

9. Explain the Structure and uses of Linear Programming.

10. What is coefficient of variation? Explain its usefulness with the help of an example.

11. State the assumptions and uses of t and F distributions.

12. Explain the similarities and differences between correlation and regression.

13. A husband and wife appear in an interview for two vacancies for the same post. The probability of husband's selection is $1/7$ and that of wife's selection $1/5$. What is the probability that

(a) At least one of them will be selected (b) Both of them **will** be selected

(c) Only one of them will be selected (d) None of them will be selected.

14.

Show that $Ed = \frac{AR}{AR - MR}$ at $p = 5$, when the demand junction is given by $p = 50 - 3x$.

MAY 2006 Paper VI - ECONOMICS OF GROWTH AND DEVELOPMENT

Time: Three hours

Maximum: 100 marks

SECTION A - (4 x 10 = 40 marks) Answer any FOUR questions.

Answer for each question should be not less than a page.

1. Present the features of Less Developed Countries.

2. Outline the trends in the size and growth of population in recent decades.

3. How do you justify the need for Balanced Growth?

4. Explain 'Vicious Circle of Poverty'.

5. Illustrate the Inter-industry relationship, with simple transaction matrix.

6. Briefly describe the functions of IMF.

7. Explain 'Dual gap' and its significance in development.

8. What is Technological Dualism?

SECTION B - (3 x 20 = 60 marks) Answer any THREE questions.

Answer for each question should be not less than 3 pages.

9. Critically evaluate the classical theory of Development.

10. Discuss the components of Human Development Index. How far it is a better measure of welfare than GNP?

11. Free Trade is conducive to higher economy efficiency VIS A VIS a policy of protection' - Evaluate.

12. Discuss the rationale of Big push theory of Rosenstein Rodan, as a balanced strategy for development.

13. Examine the need for foreign capital and present the case for and against MNCs.

14. Explain the technique of Cost-Benefit analysis and highlight its need in planning.

MAY 2006 Paper VII - INTERNATIONAL TRADE AND FINANCE

Time : Three hours

Maximum: 100 marks

SECTION A - (4 x 10 = 40 marks) Answer any FOUR questions.

Answer to each questions should not be less than a page.

1. Examine the superiority of Heckscher - Ohlin theorem over the classical theory of International trade
2. Discuss the relation between 'gains from trade' and 'terms of trade'.
3. Explain the Leontieff Paradox.
4. Explain the objectives and functions of International monetary fund.
5. Examine the causes for the South East Asian Crisis.
6. Explain the salient features of the agreement on Trade Related Aspects of Intellectual Property Rights.
7. Examine the impact of World Trade Organisation on Indian Economy.
8. What are the causes of India's external debt problem?

SECTION B - (3 x 20 = 60 marks) Answer any THREE questions.

Answer for each question should not less than 3 pages.

9. Discuss critically the classical theory of International Trade.
10. Explain the static and dynamic effects of a Customs Union.
11. What are tariffs? Explain the economic effects of a tariff.
12. What are the various kinds of disequilibrium in Balance of Payments? Explain the measures for making adjustment in Balance of Payment.
13. Discuss the contributions made by the World Bank for the economic development of India.
14. Critically discuss the changing pattern of direction and composition of India's foreign trade.

MAY 2006 Paper VIII - AGRICULTURAL ECONOMICS

Time: Three hours

Maximum: 100 marks

SECTION A- (4 x 10 = 40 marks) Answer any FOUR questions.

1. Explain "agricultural economics". Examine the nature of agricultural economics.
2. What importance does livestock enjoy in the economic development of a country?
3. Draw a note on growth of Indian Railways.
4. What are land reforms? Examine their objectives.
5. Give the classification of agricultural labourers.
6. Indicate the need for the growth of organization finance by organized financial institutions to Indian Villages.
7. Explain the aims and difficulties of Prime Agricultural Co-operative Societies.
8. Describe the working of the market for agricultural products.

SECTION B - (3 x 20 = 60 marks) Answer any THREE questions.

9. Indicate the role of agriculture in India's Economic Developments.
10. Describe the importance of transport economic growth.
11. Examine the significance and advantages of : mechanization of Indian Agriculture.
12. What role NABARD plays in the creation of finance?
13. Give a report on the origin and growth Co-operative Institutions.
14. Give a detailed explanation on the functions and trade related investment of World Trade Organization (WTO).