



# UNIVERSITY OF THE PUNJAB

B.S. 4 Years Program / Sixth Semester – 2020

Paper: Development Economics

Course Code: BBA-309 Part – I (Compulsory)

Time: 15 Min. Marks: 10

Roll No. in Fig. ....

Roll No. in Words. ....

Signature of Supdt.: .....

**ATTEMPT THIS PAPER ON THIS QUESTION SHEET ONLY.**

**Division of marks is given in front of each question.**

**This Paper will be collected back after expiry of time limit mentioned above.**

**Q.1. Encircle the correct choice.**

**(10x1=10)**

- i. The number of units of developing country currency required to purchase a basket of goods and services in the developing country market that costs one dollar in the U.S. is given by
  - a) GNP price deflators.
  - b) Human Development Index ranking.
  - c) Purchasing power parity.
  - d) The exchange rate.
  
- ii. Neutral technological progress occurs when
  - a) Higher output levels are achieved with the same quantity and combinations of factor inputs.
  - b) Higher output levels are achieved by more capital intensive methods.
  - c) Higher output levels are achieved by more labor intensive methods.
  - d) Higher output levels are achieved.
  
- iii. One of Kuznets' characteristics of modern economic growth is
  - a) Rapid social and political transformation.
  - b) Limited spread of development to only a third of world population.
  - c) High growth of productivity.
  - d) All of the above.
  
- iv. A subsistence economy is
  - a) A very low income economy.
  - b) An economy in which people make what they consume.
  - c) An economy in which people receive food for pay.
  - d) All of the above.
  
- v. Which of the following is a direct implication of the view that childbearing is an economic decision?
  - a) People will not have additional children unless they can earn a profit from doing so.
  - b) Social factors have no effect on childbearing decisions.
  - c) Compulsory education will increase fertility because educated children have the potential to earn higher salaries.
  - d) Fertility should fall with improved opportunities for women to work in jobs outside the home.

- vi.** Cyclical unemployment is the
- a) Portion of unemployment that is result of less of job in Agriculture sector.
  - b) Portion of unemployment that is due to seasonal factor.
  - c) Unemployment that occurs during recession and depressions.
  - d) None of them
- vii.** The essay on the principal of population was written by:
- a) The World Bank
  - b) Thomas Robert Malthus
  - c) Adam Smith
  - d) Julian Simon
- viii.** In the developing countries the co-existing of modern and traditional methods of production in the urban and rural sector is called:
- a) Unemployment
  - b) Underestimation of resources
  - c) Dualism
  - d) None of them
- ix.** Income in qualities are often shown on a:
- a) Production possibilities curve
  - b) Marginal inequality curve
  - c) Sen curve
  - d) Lorenz curve
- x.** Stationary population is when population growth is:
- a) Increasing at an increasing rate
  - b) Decreasing
  - c) Zero
  - d) 100%



**ATTEMPT THIS (SUBJECTIVE) ON THE SEPARATE ANSWER SHEET PROVIDED**

**Q.2. Short Questions**

**(5x4=20)**

- i. Provide a short definition of sustainable development.
- ii. Explain the term Human Capital.
- iii. Explain the kinds of unemployment.
- iv. Differentiate between economic development and economic growth.
- v. Explain some of the major causes and effects of low level of living in developing countries.

**Q.3. Long Questions**

**(3x10=30)**

- i. Explain the role of education in the economic development.
- ii. Explain the nature and scope of economic development.
- iii. Critically evaluate the Malthusian theory of population.