

Total number of printed pages–3

14 (ECO–2) 2046

2023

ECONOMICS

Paper : ECO–2046

(Development Economics)

Full Marks : 80

Time : Three hours

***The figures in the margin indicate
full marks for the questions.***

1. Answer the following questions : 5×4=20
 - (a) How are the benefits of education measured ?
 - (b) Distinguish between cost-benefit analysis and cost-effectiveness analysis in healthcare evaluation.
 - (c) Explain briefly the term 'gains from trade'.
 - (d) What is 'critical natural capital' ? Give an example.

Contd.

2. Answer **any three** of the following :

10×3=30

(a) Explain in detail how the debt servicing problem arises for developing countries when they go for foreign borrowing. Do you think foreign investment is a better option than foreign borrowing ? Justify your answer. 7+3=10

(b) How are the costs of healthcare measured ? Elaborate.

(c) Discuss how the conflict over social choices, with different economic institutions leading to different distributions of resources, gets resolved.

(d) Highlight the role of fiscal policy in financing of development in a country.

(e) What do you mean by 'secular deterioration of terms of trade' ? Discuss the main reasons for this deterioration. 4+6=10

3. Answer **any two** of the following :

15×2=30

(a) What is joint forest management (JFM) ? Explain the importance of JFM. What are the challenges faced by JFM ?

3+10+2=15

- (b) What is meant by institutions ? Discuss different forms of institutional reform. Highlight the pitfalls of institutional reform. $3+8+4=15$
- (c) How is the modern concept of adequacy of financing of education different from the traditional concept ? Elaborate on the efficiency criterion of financing education. $8+7=15$
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