KRISHNA KANTA HANDIQUI STATE OPEN UNIVERSITY

PhD Entrance Examinations, 2022

PART B

Economics

Full Marks: 50

Time: 1 hr 30 minutes

1) Answer any two from the following questions of 15 marks each (Answers should be within 200 words) 15X2= 30

a) What was the main Keynesian diagnosis of economic depression of the 1930s? Clearly describe the underlying logic of Keynesian policies for overcoming the conditions of economic depression. 5+10=15

b) What is/are the primary concern or concerns of welfare economics? Discuss briefly whether a Pareto optimum can ensure social welfare in a society. 5+10=15

c) Explain the concept of linear homogeneous production function. Mention the typical form of C-D production function and state the role of two positive parameters in this function. Prove that the elasticity of substitution of C-D production function is always unity. 2+2+4+7=15

Q2. Answer any two from the following questions (within 150 words) 2X10=20

a) Critically discuss the recent move of the Government of India towards privatisation of the nationalised banks in the country. 10

b) Using IS- LM model, show that fiscal Policy is more effective at low rate of interest and low level of income, while monetary policy is more effective when level of income and rate of interest are high. 10

c) Discuss the concept of high powered money. Briefly explain the role of high powered money in determining money multiplier. 4+6=10

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