

INTERNAL ASSESSMENT ASSIGNMENT (IAA) BOOKLET

(MA ECONOMICS SEMESTER-1 (SESSION 2022-23))

INSTRUCTIONS

1. Assignments should be prepared on A4 size (ruled on one side, plain on the other) sheets only.
2. Write on one side of the sheet only.
3. Only cardboard files (**with only tags**) shall be used.
4. The candidates shall fill complete details (**including own email id and personal mobile no.**) on the index page.
5. Enrolment card too should be attached before the index page.
6. The candidates shall put signature on each page.
7. No cutting/overwriting on any part of the Page shall be accepted.
8. Assignments have to be **hand written** by the candidates **themselves. In case of more than one handwriting in one course or different handwritings in different courses etc. the assignments shall be considered as NOT SUBMITTED or ZERO MARKS shall be given. No request in this regard shall be entertained, once it is detected.**
9. There is no re-evaluation. So attempt all the assignments very carefully.
10. Assignments have to be submitted in the concerned section of Directorate of Distance Education from **6th to 16th February,2023 from 11am till 4pm.**
11. No files shall be accepted after the last date.
12. Enrolment no. as well as course no. should be written carefully on the outer cover page as well as on the index page.
13. Only blue pen should be used. **DON'T USE RED PEN**, as it is used by the evaluators. No other colour (except highlighter to highlight the main points) shall be allowed. Pencil should be used for drawing neat and well labelled figures.
14. Candidates should read the instructions carefully before preparing the assignments.

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NOTE: In each course, there are two long answer Internal Assessment Assignments (IAA 1), out of which one is to be attempted and one short answer type IAA (IAA 2). Attempting both is COMPULSORY.

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COURSE NO: ECO 101

MAX. MARKS = 20

COURSE TITLE: MICRO ECONOMICS

IAA 1.

Discuss in detail Hicks' and Slutsky's approaches to decompose price effect in case of normal, inferior and Giffen goods.(10 marks)

Or

Discuss any three models of non-cooperative Oligopoly.

IAA 2.

- a) Define an isoquant. Discuss any five properties of isoquants.(5 marks)
- b) What is shut down point? Explain graphically.(5 marks)

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COURSE NO: ECO 102

MAX. MARKS = 20

COURSE TITLE: MACRO ECONOMICS

IAA1.

Explain the circular flow of income in a four sector economy.

Or

Derive IS- LM model and explain the equilibrium in product and money markets.

IAA2.

- a) Explain Friedman's permanent income hypothesis.
- b) What is the role of monetary and fiscal policy in developing countries?

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COURSE NO: ECO 103

MAX. MARKS = 20

COURSE TITLE: MATHEMATICAL METHODS IN ECONOMICS

IAA1.

i) Find the reduced form of the following income determination model, where investment is not autonomous but is a function of income.

ii) Find the numerical value of the equilibrium level of income (Y_e). Also, show what happened to the multiplier.

$Y = C+I$, $C = c_0+bY$, $I = I_0+aY$, where $c_0 = 65$, $I_0 = 70$, $b = 0.6$ and $a = 0.2$

Or

Solve

$$x_t = 4x_{t-1} - 2y_{t-1} + 10, \quad x_0 = 20$$

$$y_t = 3x_{t-1} + 6y_{t-1} - 4, \quad y_0 = 3$$

Find the general solution and definite solution of the given equations. Also, comment on the stability path.

IAA2

a) Solve the given LPP by the simplex method –

$$\text{Min } 8u + 10v$$

$$\text{S.t. } 2u + v \geq 1$$

$$u + 2v \geq 1, \quad u, v \geq 0$$

b) Prove that

i) the value of elasticity of substitution depends upon the value of α .

ii) α and β represents the labour share and capital share of the output respectively.

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COURSE NO: ECO 104

MAX. MARKS = 20

COURSE TITLE: DEVELOPMENT ECONOMICS

IAA1.

What are the static and dynamic gains from trade? Explain.

Or

Discuss critically Schumpeter's theory of economic development.

IAA2.

- a) Describe briefly the theory of demographic transition. (Marks: 5)
- b) What are the advantages and disadvantages of MNCs for developing countries?