

**BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI  
(MID SEMESTER EXAMINATION SP/2025)**

**CLASS:** IMsc  
**BRANCH:** CQEDS

**SEMESTER :** IV  
**SESSION :** SP/2025

**TIME:** 02 Hours

**SUBJECT:** ED219 DEVELOPMENT ECONOMICS AND DEMOGRAPHY

**FULL MARKS:** 25

**INSTRUCTIONS:**

1. The question paper contains 5 questions each of 5 marks and total 25 marks.
  2. Attempt all questions.
  3. The missing data, if any, may be assumed suitably.
  4. Tables/Data handbook/Graph paper etc., if applicable, will be supplied to the candidates
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		CO	BL
Q.1	Discuss the concept of economic development. How do you differentiate between growth and development? Explain the key indicators used to measure economic development and their limitations.	[5] 1	1
Q.2	Discuss the key measurement issues related to income and economic growth. How do factors such as informal economy, income inequality, and non-market transactions affect the accuracy of GDP as a measure of development? Provide examples to support your answer.	[5] 1	2
Q.3	Discuss and derive Harrod-Domar growth model of gross national income.	[5] 2	2
Q.4	Explain the endogeneity of population growth with suitable diagram.	[5] 2	3
Q.5(a)	Suppose that the country of Xanadu saves 20% of its income and has a capital-output ratio of 4. Capital has infinite life span. Using the Harrod-Domar model, calculate the rate of growth of total GNP in Xanadu.	[2] 2	2
Q.5(b)	If population growth were 3% per year and Xanadu wanted to achieve a growth rate per capita of 4% per year, what would its savings rate have to be to get to this growth rate?	[3] 2	2

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