PART A

1. How is the revealed preference hypothesis superior to the indifference curve analysis? Show how a consumer attains equilibrium according to the revealed preference hypothesis. (6+14=20)

2. Explain the terms Oligopoly and Duopoly. Explain the Kinked demand curve theory of Oligopoly. Bring out the weaknesses of this theory. (2+12+6=20)

3. Explain the classical theory of employment. On what grounds has it been criticized by Keynes? (14+6=20)

4. Explain critically the Liquidity Preference Theory of Interest. (20)

PART B

5. Explain the nature and scope of public finance. Point out the role of public finance as a tool of economic and social welfare. (10+10=20)

6. What do you mean by Balance of Payment? What are the measures adopted to check adverse Balance of Payment? (4+16=20)

7. What is Human Development Index (HDI)? Give its limitations as a measure of economic development and suggest measures. (5+15=20)

8. Distinguish between economic growth and economic development. Discuss the Human Development Index as an index of growth and development. (5+15=20)