

2018

M.Phil.

1st Semester Examination

ECONOMICS

PAPER—ECO-113

Full Marks : 40

Time : 2 Hours

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

Group—A

1. Answer any two questions : 2×5
- (a) How would you estimate the trans-log cost function in empirical studies ?
 - (b) What are the basic problems forced by econometricians in the empirical estimation of Cobb-Douglas (C-D). Production function ?—Explain.
 - (c) Distinguish between Output Oriented and Input Oriented Technical Efficiency.

(Turn Over)
r)

- (d) What are the different sources of risk in agriculture ?
How do risks affect the input use decisions of the farmers ?

2. Answer any *one* question : 1×10

- (a) How would you differentiate between various concepts of capacity. Also differentiate between their utilisation ? Explain the notion of quasi-fixed nature of capital in the context of the estimation of capacity utilisation (CU). How would you measure energy and its price and capital stock and its price in the empirical estimation of CU ? 4+2+4
- (b) Write functional specifications and find marginal productivities and partial elasticities of any four production functions normally used in agricultural economics.

(Group-B)

3. Answer any *two* questions : 2×5

- (a) What are macro-econometric models ? What are its principal purposes ?—Explain.
- (b) The estimated money demand function is given as follows :

$$\ln(M) = 504.7 + 35.3 \ln(y) - 0.56 \ln(r)$$

Interpret the estimated result and justify whether it follows the features of Keynesian money demand function.

(c) What are the macro-economic variables that are included in macro-econometric models? Differentiate between small, medium and large macro-econometric models.

(d) Write a note on RBI-MSE macro model for the Indian economy.

4. Answer any one question :

1×10

(a) (i) Give a brief description of the New Keynesian Model of monetary policy analysis.

(ii) Explain the simultaneous equation model of money demand and supply. 5+5

(b) Make a detailed analysis of recent trends in macro-econometric model construction. 10