

RAMAKRISHNA MISSION VIDYAMANDIRA

(Residential Autonomous College affiliated to University of Calcutta)

B.A./B.Sc. SIXTH SEMESTER EXAMINATION, MAY 2025

THIRD YEAR [BATCH 2022-25]

ECONOMICS (HONOURS)

Paper : CC 14

Date : 07/05/2025

Time : 11 am – 1 pm

Full Marks : 50

1. Answer **any six** questions:

[6×5]

- a) What is Marshallian Efficiency argument in favour of fixed rent tenancy contract? Illustrate your argument with the help of suitable diagram.
- b) What is double incentive problem in the context of different forms of tenancy contract?
- c) What are the limits to credit and insurance in capital market?
- d) Define TFR or Total Fertility Rate.
- e) Discuss linkages between globalization and financial instability.
- f) Define climate change.
- g) Write a short note on microfinance.
- h) Discuss the Nairobi puzzle.

Answer **any two** questions:

[2×10]

2. What are the basic characteristic of rural labour market? How poverty and nutrition does affects the labour market? [5+5]
3. There is a clear case of information asymmetry in the form of hidden action (moral hazard) and hidden types (adverse selection) in so far designing of an appropriate tenancy contract is concerned.
 - a) Demonstrate the case of the interaction between incentives and insurance with the help of Principal- Agent theory in designing an appropriate contract.
 - b) Show that in the first best contract it is always better to offer a fixed wage than a conditional payment; and in the second best contract offer should always be incentive compatible. [5+5]
4. Discuss in details the idea of demographic transition.
In relation to this idea also comment on demographic dividend and demographic disaster. [6+4]
5. What do you mean by sustainable development in development economics? How can we solve various environmental problems? Discuss some of the action strategies. [4+6]