

Name:
Enrolment No:

UNIVERSITY OF PETROLEUM & ENERGY STUDIES
End Semester Examination (Online) – January, 2021

Program: MA(Economics)
Subject/Course: History of Economic Thought
Course Code: ECON7022

Semester: I
Max. Marks: 100
Duration: 3 Hours

Section-A

- 1. Each question will carry 5 marks**
- 2. Select the correct answer(s)**

S.No.	Question	Marks	COs
1	<p>Members of the physiocratic movement agreed that:</p> <p>A. natural law implies that the economy should be funded on collective property. B. government should intervene on a wide scale in the economy. C. taxes should be levied on all factors of production. D. there should be only single tax in the economy, levied on land rent.</p>	5	CO 1
2	<p>According to Adam Smith, the exchange value of goods in the primitive state of the economy (where capital has not been accumulated and land has been not appropriated) is determined by:</p> <p>A. the wages of labourers. B. quantity of labour required to produce a unit of the good. C. the sum of wages and profits. D. the sum of wages, profits and land rents.</p>	5	CO 1
3	<p>In his attempts to prove that the working class is exploited under capitalism, Karl Marx used the concept of:</p> <p>A. just price. B. surplus value. C. utilitarian criterion of social welfare. D. distributive justice.</p>	5	CO 1
4	<p>One of the main features of the so-called formalist revolution in modern economics was:</p> <p>A. the advancement of general equilibrium theory. B. the rejection of abstract model building in 20th century economics. C. the increased popularity of empirical research in modern economics. D. the encouragement to use psychological methods of research in 20th century economics.</p>	5	CO 1
5	<p>In John Maynard Keynes's theory of effective demand:</p> <p>A. the level of production is determined by the stock of capital, labor and other resources. B. the level of production is determined by the sum of global investment and consumption expenditures. C. effective demand always exceeds effective supply. D. full employment of resources is always secured.</p>	5	CO 1

6	<p>Which of the following economist's name is closely associated with the view that "economics is a science of choice under scarcity?"</p> <p>A. Adam smith B. Alfred Marshall C. Milton Friedman D. Lion Robins</p>	5	CO 1
<p>Section-B</p> <p>1. Each question will carry 10 marks</p> <p>2. Instruction: Write short/ brief notes</p>			
7.	What was the attitude of Adam Smith to laissez-faire economic policy? Did he see any role for government in matters of economic policy?	10	CO 2
8.	Describe David Ricardo's theory of land rent. State the assumptions of the theory and show what are the implications of the theory for the distribution of income, market prices and theory of exchange value.	10	CO 2
9.	Describe shortly the phenomena of alienation and commodity fetishism according to Karl Marx.	10	CO 2
10.	Discuss how Alfred Marshall reconciled the classical and the marginalist theories of exchange value.	10	CO 3
11	What is the invention/innovation distinction according to Joseph Schumpeter? Why he thought that the economic growth will stop in mature capitalism?	10	CO 3
<p>Section-C</p> <p>1. Each question carries 20 Marks.</p> <p>2. Instruction: Write long answer.</p>			
12	<p>Define the principle of effective demand as postulated by John Maynard Keynes. What factors are responsible according to Keynes for decreases in effective demand that lead to deep and long-lasting recessions?</p> <p>Or</p> <p>Critically examine Labour Theory of Value by Karl Marx</p> <p>Or</p> <p>How do you explain and extend the concept of "Mercantilism" to the International Trade?</p>	20	CO 4

--	--	--	--