



DOON UNIVERSITY, DEHRADUN
Mid-term Examination, Third Semester, 2013
School of Social Sciences
MSc Economics
Course: SSEI-213: History of Economic Thought

Time Allowed: 2 hrs.

Max. Marks: 30

Note: Attempt All Questions from Sections A, B, C

SECTION: A

All questions are compulsory and carry equal marks.

(Marks: 6x1=6)

State if the following are True or False

1. The mercantilists encouraged local manufacturing in colonies.
2. Mercantilists say that it is vital that a country imports more than it exports.
3. Ricardo classified population into four groups namely, landlords, labourers, capitalists and administrators.
4. The classical economists were not in favour of free trade. They advocated government intervention in the economy.
5. Ricardo said that it was waste of time to worry about long-term economic growth. More important issue was how the steady state output is distributed among the different classes.
6. The Tableau Economique illustrated the Physiocratic principles of how wealth was created and circulated through society.

SECTION: B

Answer any THREE questions.

(Marks: 3x4=12)

1. What is the difference between the theory of absolute advantage and the theory of comparative advantage.
2. What do you understand by the concept of invisible hand. Who gave this concept?
3. Explain the concept of Ricardian equivalence.
4. Explain the concept of Division of Labour? Who gave this concept?

SECTION: C

Answer any ONE question.

(Marks: 1x12=12)

1. What historical forces led to the rise of Physiocracy in France? Describe main features and policies of physiocrats. How Physiocrats influenced economics?
2. Which factors contributed to the growth of mercantilism? What are the salient features of this system? Discuss the mercantilist policies. What is neo-mercantilism?