

SAMPLE QUESTION BANK

1. Explain the benefits that would accrue to a landlord by lending to his own laborer than lending elsewhere in a developing country's rural market for credit.
2. " The pace of development is driven by the accumulation of capital, but is limited by the ability of the economy to produce a surplus of food." Discuss this line using the Lewis-Ranis-Fei theory.
3. Explain how the public interest theory of regulation might come to a different conclusion regarding emission fees vs. marketable permits as compared to the interest group theory.
4. Show that in an economy with extensive possibilities for perfect crop insurance , fixed rent tenancy must be dominant, irrespective of whether potential tenants are risk averse or risk neutral.
5. Explain how an interlinked credit contract involving repayment in labor and interest helps to prevent distortions that lower the total surplus available to be divided between lender and borrower in a rural setting.
6. " There are deep fault lines in the global economy, fault lines that have developed because in an integrated economy and in an integrated world, what is best for the individual actor or institution is not always best for the system." Discuss