

**UNIVERSITY OF SWAZILAND**  
**DEPARTMENT OF ECONOMICS**  
**MAIN EXAMINATION PAPER, MAY 2008**

**TITLE OF PAPER** : **DEVELOPMENT ISSUES**

**COURSE CODE** : **ECON 303**

**TIME ALLOWED** : **THREE HOURS**

**INSTRUCTIONS** : **1. ANSWER TWO QUESTIONS FROM EACH SECTION**

**2. ANSWER FOUR QUESTIONS IN ALL**

**DO NOT OPEN THIS PAPER UNTIL THE INVIGILATOR HAS GRANTED PERMISSION**

## **SECTION A**

### **QUESTION ONE**

**(25 MARKS)**

- (a) Identify the components of the human development index. (8 marks)
- (b) What are the common characteristics of the developing countries that constitute the bulk of the world population? (17 marks)

### **QUESTION TWO**

**(25 MARKS)**

- (a) Examine Author Lewis's "two sector model" as a theory of economic growth and development. (19 marks)
- (b) Discuss the fact that the key assumptions of the Lewis's model do not fit the institutions and economic realities of most contemporary developing countries. (6 marks)

### **QUESTION THREE**

**(25 MARKS)**

- (a) Why did the international dependency revolution come into prominence in the 1970s? (10 marks)
- (b) Discuss the neoclassical counter revolution, which emerged in the 1980s, as part of the debate on the causes of under-development. (15 marks)

### **QUESTION FOUR**

**(25 MARKS)**

- (a) What are the reasons that necessitated the adoption of the "new growth model"? (8 marks)
- (b) Discuss the central role given to "investment in human capital" in the new or modern growth models. (17 marks)

## **SECTION B**

### **QUESTION FIVE**

**(25 MARKS)**

- (a) Describe the principal **causes** and the major **consequences** of high population growth in your country. (17 marks)
- (b) State the main causes of international brain drain. (8 marks)

### **QUESTION SIX**

**(25 MARKS)**

- (a) For the past few decades, most developing countries have been plagued by the problem of poverty. Advise your government on the possible strategies which can alleviate the problem. (12 marks)
- (b) Discuss the causes of the problem of unemployment. (13 marks)

### **QUESTION SEVEN**

**(25 MARKS)**

- (a) What are the roles of agriculture in national development? Specific reference to Swaziland will be an advantage. (12 marks)
- (b) Discuss the major arguments in favour of the foreign aid given to the developing countries by the advanced nations. (13 marks)

### **QUESTION EIGHT**

**(25 MARKS)**

- (a) Identify the various types of economic integration. (8 marks)
- (b) The theory of customs union is concerned with an explanation of the economic effects of integration. Examine this statement with particular reference to the Southern African Development Community (SADC). (17 marks)