

UNIVERSITY OF SWAZILAND
FACULTY OF SOCIAL SCIENCE
DEPARTMENT OF ECONOMICS
FINAL EXAMINATION PAPER, DECEMBER 2011

TITLE OF PAPER : DEVELOPMENT THEORY
COURSE CODE : ECON 306
TIME ALLOWED : THREE (3) HOURS
INSTRUCTIONS :
1. ANSWER FOUR (4) QUESTIONS.
2. ALL QUESTIONS CARRY EQUAL MARKS OF TWENTY FIVE (25) EACH.

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

QUESTION 1

- a) Distinguish between ‘Economic growth’ and ‘Economic Development’. (7 marks)
- b) ‘Science, technology and innovation hold the promise to ultimately achieving the Millennium Development Goals (MDGs)’. Discuss (18 marks)

QUESTION 2

- a) What do you understand by the term ‘Human Development Index’? (7 marks)
- b) Explain how the ‘Human Development Index’ is used as a measure of a country’s social and economic wellbeing. (12 marks)
- c) Explain the justification of ranking countries in terms of economic conditions. (5 marks)

QUESTION 3

- a) How important is ‘co-ordination’ for economic development? (5 marks)
- b) Discuss the strengths and weaknesses of the Harrod-Domar Model. (20 marks)

QUESTION 4

Using a suitable diagram, outline the Lewis’s Dual Model and its criticisms. (25 marks)

QUESTION 5

- a) Explain why the International Dependency Revolution came into prominence in the 1970s. (8 Marks)
- b) Critically examine the main challenges usually tackled under the International Dependency Model. (17 marks)

QUESTION 6

- a) Describe the main prediction of the Neo-Classical Revolution. (10 marks)
- b) Explain the three approaches suggested by the Neo-Classical Revolution.
 - i) Free market approach
 - ii) Public choice theory
 - iii) market-friendly approach
 (5 marks each)