



UNIVERSITY OF ESWATINI

FIRST SEMESTER MAIN EXAMINATION PAPER, NOVEMBER 2019

FACULTY OF SOCIAL SCIENCES

DEPARTMENT OF ECONOMICS

COURSE CODE: ECO303/ECON306

TITLE OF PAPER: DEVELOPMENT THEORY

TIME ALLOWED: 2 HOURS

Instructions

This paper consists of Section (A) and (B).

1. Section A is compulsory.
2. Answer any two questions from Section B.

Special Requirements

Scientific calculator

Additional Material (s)

None

*Candidates may complete the front cover of their answer book when instructed by the Chief Invigilator and sign their examination attendance cards but must **NOT** write anything else until the start of the examination period is announced.*

No electronic devices capable of storing and retrieving text, including electronic dictionaries and any form of foreign material may be used while in the examination room.

DO NOT turn examination paper over until instructed to do so.

SECTION A

Question 1 Compulsory (total 40 marks)

- a) 'Economic development must encompass more than the material and financial side of people's lives'. Do you agree or disagree with this statement? Explain fully your reasoning. [10 marks]
- b) What are the contributions of agriculture to economic development according to the Ranis-Fei model? [10 marks]
- c) State and explain the motivation for the New Growth Theory model. [20 marks]

SECTION B

Answer any two questions from the following: (30 marks each)

Question 2

- a) What do you understand by Development Miracle? [5 marks]
- b) 'Developing countries need to reduce their connectedness with world market so that they could pursue a path more in keeping with their own needs, less dictated by external pressures'. Do you agree or disagree with this statement? Explain fully your reasoning. [25 marks]

Question 3

- a) Using relevant diagrams, state and explain the Lewis Theory of development. [25 marks]
- b) Briefly explain any two criticisms of the Lewis Theory of development. [5 marks]

Question 4

- a) What is the importance of classifying countries according to their levels of Gross National Income per capita? [5 marks]
- b) Outline the Rostow's five stages of economic growth model. [25 marks]