

UNIVERSITY OF SWAZILAND



FINAL EXAMINATION - DECEMBER 2015

BACHELOR OF SOCIAL WORK I

TITLE OF PAPER : SOCIAL DEVELOPMENT POLICY AND PLANNING
COURSE NUMBER : SWK 233
TIME ALLOWED : THREE (3) HOURS

INSTRUCTIONS

- 1. This paper consists of 2 sections**
- 2. Answer ALL questions in section A**
- 3. Answer ANY 2 questions in section B**
- 4. Write ALL answers in your answer book**
- 5. This paper has 6 pages**

This paper should not be opened until permission has been given by the invigilator.

SECTION A

QUESTION ONE: *COMPULSORY*WRITE ANSWERS IN YOUR ANSWER BOOK (PLEASE WRITE THE ANSWERS ONLY NOT THE QUESTION)

A. True-False Questions — If a statement is false, explain why.

1. Economists have determined specific levels of per capita income and specific rates of output growth that identify countries as LDCs. (T/F)
 2. Most least-developed countries are located in Sub-Saharan Africa. (T/F)
 3. The demographic trap refers to a situation where population growth is nearly as high or higher than GDP growth so that per capita GDP cannot increase. (T/F)
 4. Political instability is less problematic for most least developed countries because entrepreneurs do not mind uncertainty regarding their property rights. (T/F)
 5. Many least-developed countries are characterized by an age distribution profile that loads the population in the under-15-years-old group. (T/F)
 6. One reason for the demographic trap is a dramatic decrease in death rates due to the increased availability of basic medical care. (T/F)
 7. LDCs would be able to make larger investments in capital goods if production levels were further above subsistence. (T/F)
- Most least-developed countries have adequate infrastructure. (T/F)
9. Sub-Saharan African countries have experienced numerous civil wars since the mid-1970s. (T/F)
 10. A backward linkage would exist between a bottling plant and a soda manufacturer. (T/F)
 11. Political instability in LDCs leads to uncertainty about property rights, which interferes with economic decision making. (T/F)
 12. A forward linkage would exist between a brick maker and a clay supplier. (T/F)
 13. A country's infrastructure consists of its basic institutions and the public facilities, like transportation and communication systems, upon which development depends. (T/F)
 14. A big-push development strategy relies on coordinated increases in investment in several industries at once in order to create interlocking markets for output. (T/F)
 15. The unbalanced development strategy relies on private entrepreneurs to undertake investment projects that become profitable as a result of government-sponsored investment in infrastructure. (T/F)

B. Match the terms on the left with the definitions in the column on the right.

- | | |
|-----------------------------|---|
| 1. Less-developed countries | _____ a. the basic institutions and public facilities upon which an economy's development depends |
| 2. Big push | _____ b. the development strategy that relies on an integrated network of government-sponsored and financed investments introduced into the economy all at once |
| 3. Forward linkage | _____ c. investments in one industry that create demands for inputs inducing investment in other industries to produce those inputs |
| 4. Backward linkage | _____ d. economies of Asia, Africa, and Latin America |
| 5. Infrastructure | _____ e. investments in one industry that create opportunities for profitable investments in other industries, using the goods produced in the first as inputs |

C. Multiple-Choice Questions

What has happened to the fraction of the world's population in abject poverty since 1950?

1. Between 1950 and 2000, the fraction of the world's population living at subsistence levels has
 - a. increased from 50 percent to 60 percent
 - b. fallen from 80 percent to one-sixth
 - c. remained constant
 - d. decreased slightly from 80 percent
 - e. increased slightly from 80 percent

When does the demographic trap negatively affect development prospects for LDCs?

2. The **demographic trap** is problematic for LDCs when
 - a. population growth is positive
 - b. the death rate exceeds the birth rate
 - c. population growth is too slow
 - d. the rate of population growth exceeds growth in GDP
 - e. population growth slows and a large percentage of the population are aged and unable to work
- How does instability in the political system in an LDC adversely affect growth and development?

3. Even in the absence of destructive civil wars, political instability in the form of frequent and erratic government changeovers in LDCs can interfere with the start of ambitious development programs because
 - a. property rights are uncertain hence investment in new projects becomes risky
 - b. new governments make too many bold promises
 - c. new governments are inclined to repeat mistakes of the past
 - d. development occurs most successfully under a long-term dictator
 - e. development occurs most successfully in a mature political democracy like the United States
- Some economists believe that capital formation on a massive scale is necessary for development to begin in certain LDCs.

4. The **big-push** development strategy depends on
 - a. backward and forward linkages
 - b. first undertaking an unbalanced growth strategy
 - c. foreign direct investment
 - d. an integrated network of government-sponsored and financed investments
 - e. generous foreign economic aid

Learn the distinction between forward and backward linkages.

5. **Forward linkages** refer to
 - a. investments in one industry that create opportunities for profitable investments in other industries
 - b. investments in one industry that create demands for inputs, thereby inducing investment in other industries
 - c. connections between LDCs and industrialized countries created by foreign direct investment
 - d. connections between LDCs and industrialized countries created by foreign economic aid
 - e. connections between LDCs and industrialized countries that result from the colonial past

6. People in LDCs are poor because
 - a. they choose to be
 - b. of exploitation by multinationals
 - c. of slow population growth
 - d. of a variety of development traps
 - e. of dependence on foreign aid

7. Levels of income have jumped dramatically in recent years in all of the following countries except
 - a. Europe and North America
 - b. Latin America
 - c. East Asia
 - d. Sub-Saharan Africa
 - e. South Asia

8. All of the following are characteristics of less-developed countries except
- high birth rates
 - political instability
 - low levels of infant mortality
 - the absence of infrastructure
 - a small proportion of the population under age 15
9. The vicious circle of poverty in LDCs means that
- people are poor because they can't invest in capital goods and they can't invest in capital goods because they are poor
 - their production possibilities curves are bowed-out from the origin
 - investments in human capital have long payoff periods, so they aren't undertaken even though they are essential for economic growth
 - investments in infrastructure have long payoff periods, so they aren't undertaken even though they are essential for economic growth
 - the large fraction of an LDC's population that is poor and below the age of 15 ensures that the population will remain poor for years to come
10. The natural resource trap for LDCs is evident when development programs
- spend large sums importing critical natural resources
 - are stymied by falling prices of natural resource exports
 - focus heavily on natural resource exports rather than industries that require high skill levels
 - are halted because supplies of natural resources run out
 - fail because benefits from natural resource exports accrue to the whole population rather than the elites who are able to save and invest
11. Big-push development strategies are typically financed primarily by
- loans from international agencies
 - loans from industrialized countries
 - grants from industrialized countries
 - foreign direct investment
 - tax revenues
12. The big-push development strategy relies heavily on the efforts of _____ while the unbalanced development strategy depends on _____ to take advantage of backward and forward linkages.
- government; entrepreneurs
 - entrepreneurs; government
 - loans, foreign direct investment
 - foreign direct investment; loans
 - poor farmers; planners
13. Political instability in an LDC interferes with economic development by causing
- uncertainty in economic decision making
 - economic dualism
 - the rise of single-party regimes
 - the big-push strategy to be more difficult to adopt
 - the unbalanced strategy to be more difficult to adopt
14. All of the following are causes of rapid population growth in LDCs except
- high birth rates
 - cleaner water
 - improved sanitation
 - improved status of women
15. Ranking the average GDP per capita for developing countries from low to high we have
- Sub-Saharan Africa, Latin America, East Asia, South Asia
 - Sub-Saharan Africa, South Asia, East Asia, Latin America
 - Sub-Saharan Africa, South Asia, Latin America, East Asia
 - Sub-Saharan Africa, Latin America, South Asia, East Asia

e. Latin America, East Asia, South Asia, Sub-Saharan Africa

16. Although it is possible to transplant a modern Detroit automobile plant to an LDC such as Chad, the plant is unlikely to contribute much to Chad's economic development because

- a. Chad lacks the skilled personnel necessary to run the plant
- b. an adequate energy system to power the plant is lacking
- c. a system of good roads does not exist
- d. the Chadian banking system is still embryonic
- e. all of the above

17. A key difference between the big-push strategy and the unbalanced development strategy is that

- a. the big-push strategy focuses on a few key industries
- b. the big-push strategy is less expensive
- c. the unbalanced development strategy is an integrated network of government investments
- d. the big-push strategy relies mainly on private entrepreneurs
- e. the unbalanced development strategy relies on forward and backward linkages while the big-push strategy involves all sectors of the economy

18. Government investment is emphasized by advocates of the big-push strategy because

- a. only government has the resources to finance the large investments required
- b. private investment is already fully utilized
- c. the government is likely to have a longer time horizon than private investors, making it possible for government to wait for the results of investment that come in the long run
- d. private investors are incompetent
- e. only the government has the personnel to implement and manage the big push in highly technical industries

19. The unbalanced development strategy is unbalanced because

- a. governments that undertake this approach are unstable
- b. forward linkages are stronger than backward linkages
- c. backward linkages are stronger than forward linkages
- d. an imbalance results between supply capacity and the creation of new demands
- e. government's role is completely eliminated so the process is completely private

20. Backward linkages in the unbalanced development strategy relate to increases in

- a. demands for inputs produced in other industries
- b. demands for the products of the backward traditional sector
- c. traditional practices that emerge in opposition to modernization
- d. links between businesses in the traditional sector
- e. links with government agencies that used to sponsor fledgling private-sector businesses

21. Foreign direct investment has the advantage that _____, which has to be weighed against the disadvantage that _____.

- a. growth is much faster; the environment is destroyed
- b. investment is financed by foreigners; ultimately, LDCs must take responsibility for development
- c. investment in foreign countries is profitable; domestic investment may languish
- d. domestic firms get funding; foreign firms lose employment
- e. LDCs profit enormously; industrialized nations suffer

22. Increasingly, aid to LDCs from the United States has consisted of

- a. arms exports
- b. direct food relief
- c. grants for development
- d. low-interest loans
- e. high-interest short-term loans

23. One reason that the big-push strategy might be necessary for a developing country is that

- a. private investors may be unwilling to undertake the projects necessary for development
- b. LDC governments have ample resources to support the big-push strategy
- c. few LDCs have the human capital necessary to allow the unbalanced development strategy to work

- d. the big-push is required to break down traditional customs in an LDC
- e. the big-push creates more human capital than any other strategy

24. The main reason for the existence of forward linkages in the unbalanced development strategy is that investments in one industry will result in

- a. lower interest rates for other investors in other industries
- b. savings that can be transmitted to other industries
- c. opportunities for investment in new industries that use the output of the first as inputs
- d. the gradual replacement of the traditional economy by forward-looking entrepreneurs
- e. the expansion of infrastructure investment in the traditional sector

25. All of the following are explanations for the low level of development in LDCs **except**

- a. low levels of literacy
- b. low levels of capital per person
- c. poor infrastructure
- d. attitudes opposed to modernization
- e. the absence of low-wage labor

26. Although Chinese economic growth has been just over twice India's annual growth rate over the last 15 years, there is reason to believe that India's economy may perform better than China's in the long run because

- a. India has a more efficient centralized government than does China
- b. India has a more successful entrepreneurial class that has succeeded in knowledge-based industries
- c. India has a larger population than does China
- d. India has a faster rate of population growth than does China
- e. India is less democratic than China

27. Narrowing the Internet access gap between developed and less-developed countries may be difficult for LDCs because

- a. the advantages in international commerce of widespread Internet use are limited for LDCs
- b. the Internet has not helped even the developed countries to grow faster
- c. the Internet is likely to be replaced with a new technology soon, so any investment will be wasted
- d. investment in Internet access in a LDC requires highly-skilled labor and considerable capital
- e. their economies are already growing at the maximum rate possible

28. A symbiotic linkage exists between the pineapple industry and the cattle industry in Indonesia where

- a. pineapple canning results in pulp to use in cattle feed and cattle produce manure for fertilizer
- b. cattle ranchers rotate land from cattle pasture to pineapple production from year to year
- c. beef and pineapple are favourite items in Indonesian cuisine
- d. cattle graze among the pineapple plants keeping weeds down
- e. trucks used to transport cattle can also be used to haul pineapples

FILL IN THE BLANKS

1. Development traps facing LDCs include the _____, the _____, the _____, and the _____.
2. Foreign direct investment allows an LDC to create _____ goods production without having to sacrifice _____ goods production.
3. Many LDCs are caught in the vicious _____ — they are poor because they are unable to invest in _____, and the reason they don't is because they are _____.
4. The big-push strategy emphasizes investment in many projects _____ to create both _____ capacity and markets for the production.
5. The unbalanced strategy emphasizes private-sector development in key areas of the economy to create _____ and _____ linkages to new projects.

SHORT ANSWER QUESTIONS

1. Why is rapid population growth considered to be a problem for many LDCs?
2. Contrast the role of government in the big-push development strategy and the unbalanced strategy.
3. Why is infrastructure so critical to successful development?

4. Why would an LDC welcome foreign direct investment? Why might an LDC be reluctant to allow foreign direct investment?

SECTION B

QUESTION TWO

Times of Swaziland article dated 16 October 2015 reads: "Pupil (7) drinks beer in class". Use the Six Thinking Hats to discuss how you would approach this case in order to develop ideas that effectively address pressing issues and create opportunities as a policy maker.

QUESTION THREE

Critically discuss the role of civil society, law and policy in the development agenda of developing countries.

QUESTION THREE

"The first draft of the world's new development agenda – the Sustainable Development Goals – takes into account Africa's interests, but not in the same way as the expiring Millennium Development Goals (MDGs) once did" (UN. 2015)"

Critically discuss the proposed Sustainable Development Goals in your discussion use examples to demonstrate how these 17 goals hold hope for Africa.

QUESTION FOUR

Discuss the concept of modernization in relation to development; highlighting the characteristics of developed and underdeveloped societies.

QUESTION FIVE

Social planning is an important component of the development process. Discuss.