ELIZADE UNIVERSITY
Ilara-Mokin, Ondo State
Department of Economics and Development Studies
Faculty of Humanities, Social and Management Sciences
First (1st) Semester Examination
2019/2020 Academic Session

Course Code: ECN 305   **Credit Units: 2**
Course Title: Economics of Development I
Instruction: Answer Question 1 and 2 in SECTION A, and ONE OTHER QUESTION from SECTION B
Time Allowed: 2 hours

SECTION A QUESTIONS(40 marks)

1. a) EITHER, What are the explanations behind the New Growth Theory of Divergence? OR, What are the explanations behind the Neo-Classical Theory of Convergence? b) What are the weakness/es of the theory?

2. a. Why are Developing Countries at a disadvantage in International Trade according to the Structuralists?

   b. What are the propositions of the Structuralists to remedy the lopsidedness of International Trade?

   c. What are the Strength and Weaknesses in their arguments?

SECTION B QUESTIONS (20 marks)

3. What characteristics do Low Income Countries have in common? Describe THREE (3) of them in details.

4. Emergence of Efficient Institutions has been identified as a major factor in the development of the Western Economies;

   a. What are these efficient institutions?

   b. Why are all countries not having efficient institutions?

5. What is the proposition of the Advantages of Backwardness Theory according to Gerschenkron (1962)? What is the modification to the theory according to Abramovitz (1989)?

6. Write short notes on the following;

   a. Dependent development

   b. The role of public policies in economic development

   c. The difference between purchasing power parity and exchange rate-based INCOME PER CAPITA.

   d. Kuznets ratio of inequality OR the GINI Coefficient of inequality.