חAmIBIA UПIVERSITY
OF SCIEПCE AחD TECHחOLOGY

## FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF ACCOUNTING, ECONOMICS AND FINANCE

| QUALIFICATION: BACHELOR OF ECONOMICS |  |
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| QUALIFICATION CODE: O7BECO | LEVEL: 7 |
| COURSE CODE: DEC712S | COURSE NAME: DEVELOPMENT ECONOMICS |
| SESSION: JANUARY 2020 | PAPER: THEORY |
| DURATION: 3 HOURS | MARKS: 100 |


| SECOND OPPORTUNITY EXAMINATION QUESTION PAPER |  |
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| EXAMINER(S) | Ms Kasnath Kavezeri <br> Mr Anthony Adeyanju |
| MODERATOR: | Mr Immanuel Nashivela |


| INSTRUCTIONS |
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| 1. Answer ALL the questions. |
| 2. Write clearly and neatly. |
| 3. Number the answers clearly. |

PERMISSIBLE MATERIALS

1. Pens/pencils/erasers
2. Calculator
3. Ruler

THIS QUESTION PAPER CONSISTS OF 2 PAGES (Including this front page)

1. Table 1 below provides country statistics for three Sub-Saharan African countries. Use the statistics and goalposts in Table 2 to compute the human development index for The Gambia.

Table 1

| Country | GDP (US\$) | Adult literacy <br> rate (\%) | Life expectancy <br> (years) | Combined gross <br> enrolment (\%) |
| :--- | :--- | :--- | :--- | :--- |
| The Gambia | 800 | 55 | 45 | 62 |
| Namibia | 7800 | 95 | 52 | 91 |
| Lesotho | 2000 | 90 | 52 | 85 |

Table 2

| Country | GDP (US\$) | Adult literacy <br> rate (\%) | Life expectancy <br> (years) | Combined gross <br> enrolment (\%) |
| :--- | :--- | :--- | :--- | :--- |
| The Gambia | 800 | 55 | 45 | 62 |
| Namibia | 7800 | 95 | 52 | 91 |
| Lesotho | 2000 | 90 | 52 | 85 |

2. Describe the main assumptions of the Harrod-Domar growth model.

## QUESTION 2 <br> [25 Marks]

1. With the aid of a diagram explain the Inverted U-hypothesis by Simon Kuznet. (11)
2. Describe the elements of comprehensive migration and employment strategy. (14)

## QUESTION 3 [25 Marks]

Broadly discuss the characteristics of Less Developed Countries.

QUESTION 4 [25 Marks]

A major model of economic growth was published by an American economist, Walt Whitman Rostow in 1960. Broadly explain this model on various basic stages for a country to attain development.

