



## **AFRICAN ECONOMIC RESEARCH CONSORTIUM**

*Collaborative PhD Programme in Economics for Sub-Saharan Africa*

### **COMPREHENSIVE EXAMINATIONS IN CORE AND ELECTIVE FIELDS**

**FEBRUARY 13 – MARCH 3, 2017**

### **DEVELOPMENT ECONOMICS**

**Time: 08:00 – 11:00 GMT**

**Date: Friday, February 24, 2017**

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#### **INSTRUCTIONS:**

Answer a total of FOUR questions: ONE question from Section A, ONE question from Section B, and TWO questions from Section C. Please note that you must answer Question 5 or 6 in Section C **BUT NOT** both.

The sections are weighted as indicated on the paper.

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#### **Section A: (15%)**

**Answer only ONE Question from this Section**

#### **Question 1**

- (a) Explain the concepts of economic growth and development **[5 Marks]**
- (b) How are these concepts linked to the standard of living in a given country? **[10 Marks]**

#### **Question 2**

Developed countries are motivated by political and economic reasons to give aid to less developed countries. Discuss. **(15 Marks)**



### **Section B: (25%)**

**Answer only ONE Question from this Section**

#### **Question 3**

HIV/AIDS has been cited as one of the human capital hazards that impacts negatively on economic growth and development.

- (a) How and in what ways does HIV/AIDS threaten economic growth and development?  
**(15 marks)**
- (b) Outline and explain what is being done at national and international levels to mitigate the impact of the pandemic.  
**(10 Marks)**

#### **Question 4**

Employment in informal economy is regarded as a major challenge to African policy makers.

- (a) Analyze three main characteristics of employment in the African informal economy.  
**(9 Marks)**
- (b) Why is informal employment a major challenge to policy makers?  
**(8 Marks)**
- (c) Discuss two major ways of addressing the above challenge.  
**(8 Marks)**



### **Section C: (60%)**

**Answer TWO Questions from this Section,**

**AT LEAST one of which MUST BE Question 5 OR 6**

#### **Question 5**

The table below shows the Share of Intra-Regional Trade in total trade for different regions of the world:

<b>Region</b>	<b>1948</b>	<b>1973</b>	<b>1993</b>	<b>2000</b>
Western Europe	41.8	67.7	69.9	67.8
Central and Eastern Europe	46.4	58.8	19.7	26.6
North America	27.1	35.1	33.0	39.8
Latin America	20.0	27.9	19.4	17.3
Asia	45.5	41.6	49.7	48.9
Africa	8.5	7.6	8.4	7.6
Middle East	5.0	6.1	9.4	6.5

Source: WTO (1995 and 2001)

- Comment on the table with respect to intra-regional trade in Western Europe, North America and Asia. **(12 Marks)**
- Why has Africa maintained very low intra-regional trade despite many trade blocs within the region? **(12 Marks)**
- It has been asserted that regional trade agreements pose some threats for multilateralism. Explain some of these threats **(6 Marks)**

#### **Question 6**

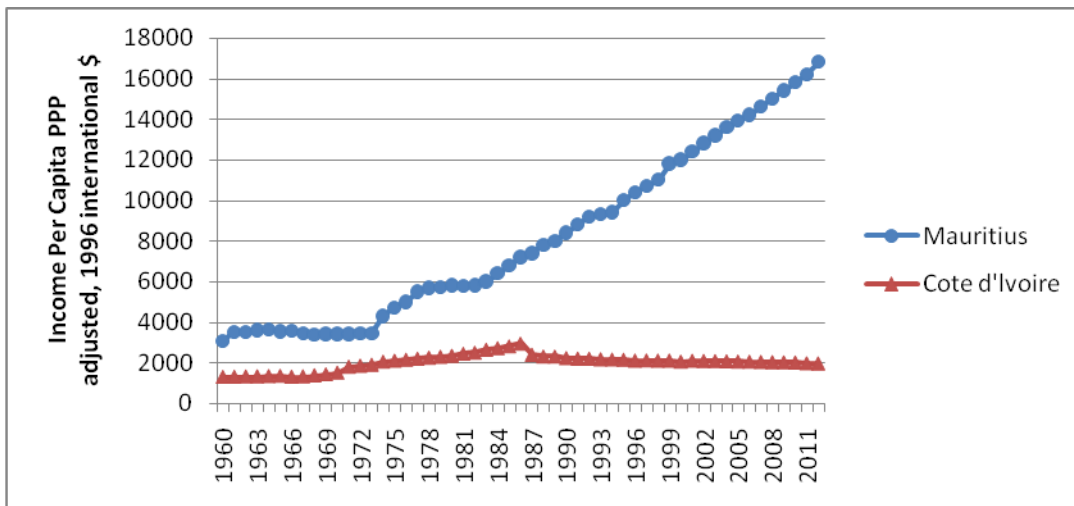
- How do you explain the Chinese economic 'miracle' with its non adherence to neo-liberal and neoclassical economic dictates? **(20 Marks)**
- What lessons can other developing countries, especially Sub-Saharan African countries, draw from this? **(10 Marks)**



## Question 7

Figure 1 below shows different growth paths (with policies taken) of two countries in Africa – Mauritius and Cote d'Ivoire:

**Figure 1: Development Strategies: Different Development Strategies- Very Different Results: Mauritius versus Cote d'Ivoire**



- Analyze the growth paths or growth strategic approaches of these two countries. **(10 Marks)**
- Discuss reasons for the differences in growth experience and outcomes of these two countries. **(10 Marks)**
- Should countries follow the same development strategies or policies in order to improve the welfare of its citizens? Explain your answer. **(10 Marks)**

## Question 8

- Analyse any four main roles of the agricultural sector in development. **(8 Marks)**
- What are the interdependences between agricultural and industrial development? **(12 Marks)**
- What can be done to strengthen the interdependencies between agricultural development and industrial development? **(10 Marks)**