



## **AFRICAN ECONOMIC RESEARCH CONSORTIUM**

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

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

**FEBRUARY 19 – MARCH 10, 2021**

### **DEVELOPMENT ECONOMICS**

**Time: 08:00 – 11:00 GMT**

**Date: Friday, March 5, 2021**

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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 in Section C, one of the questions **MUST be Question 5 or Question 6.**

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**

How can you identify credit constrained households from a budget survey? **(15 Marks)**

##### **Question 2**

- (a) Why have economists become very concerned with conflicts, such as wars and civil strife? **(7 Marks)**
- (b) Briefly outline and justify four policy measures that can be proposed to reduce or avoid the recurrence of conflicts in an African country. **(8 Marks)**



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

**Answer only ONE Question from this Section**

### **Question 3**

Explain how one can compute food poverty lines using household survey data on total household consumption expenditure. **(25 Marks)**

### **Question 4**

It is argued that the brain drain deprives African countries of valuable development resources. However, some analysts also believe that the remittances provide a net gain to these countries. Critically analyze these statements with concrete examples. **(25 Marks)**

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

**Answer Two Questions from this Section,**

**AT LEAST one of which MUST be Question 5 or 6**

### **Question 5**

What is the role of inequality in the growth-poverty relationship? **(30 Marks)**

### **Question 6**

- (a) How can one measure the size of the informal sector? **(15 Marks)**
- (b) Drawing upon existing theories, what are the explanations forwarded as justification for the prevalence of the informal sector? **(15 Marks)**



### Question 7

- (a) Compare and contrast growth and development experiences of Asia and Africa regions. **(15 Marks)**
- (b) Draw lessons for Africa from the Asian experience in terms of developing policies and strategies. **(15 Marks)**

### Question 8

Critically examine the two figures below and discuss the effects of such mining activities on:

- (a) Environments and health. **(8 Marks)**
- (b) Trade and capital flow. **(8 Marks)**
- (c) Labour market issues. **(7 Marks)**
- (d) On each issue, evaluate policy measures that policymakers can take in order to eliminate the negative effects. **(7 Marks)**

#### Mining African minerals

**Figure 1a**



**Figure 1b**

