

UGANDA MARTYRS UNIVERSITY

FACULTY OF SCIENCE

DEPARTMENT OF ECONOMICS

UNIVERSITY EXAMINATIONS
SEMESTER I, 2012/13

THIRD YEAR EXAMINATIONS FOR BACHELOR OF SCIENCE
(FM, B.ECON & GEN)

ECONOMIC DEVELOPMENT, POLICY & PLANNING

DATE: 19TH DECEMBER 2012

TIME: 9:00 – 12:00 NOON

Instructions:

- i) Read the question paper carefully.
 - ii) Answer only **FOUR (4)** questions.
 - iii) All questions carry equal marks.
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Question One

(a) Write short notes on the following concepts:

- i) Economic Development. (2 Marks)
- ii) Economic Policy (2 Marks)
- iii) Economic Planning (2 Marks)
- iv) Unbalanced growth development strategy (4 Marks)

(b) East African economies are said to be underdeveloped from the global perspective. As a development economist, suggest key development strategies for these economies to become high income nations in the next decade. (10 Marks)

(c) Briefly describe "Human Development Index" method as used in estimating the level economic development in a country. (5 Marks)

Question Two

(a) Describe the concept of "sustainable development" and with reasons explain why it may not be achieved in Uganda. (15 marks)

(b) What development strategies should East African Economies put in place for sustainable development? (10 marks)

Question Three

(a) Describe the Harrod-Domar growth model and assess its relevance to developing countries. (15 marks)

(c) Apart from the two factors of growth stated in Harrod-Domar model, discuss other critical determinants of economic growth in developing economies. (10 marks)

Question Four

(a) Discuss the concept of chronic poverty and its causes in Uganda. (15 Marks)

(b) Poverty in Africa is said to highly feminized and rural based in nature. Basing your arguments on this statement, suggest appropriate policy measures for alleviation of this kind of poverty from African economies. (10 Marks)

Question Five

(a) According to economic development theorists, trade is said to be an engine of economic growth and development. Use relevant examples and cases from East-Africa region in support of this statement. (10 Marks)

(b) Capital formation is a prerequisite for trade and development. State the sources of capital formation and its role in economic development.

Question Six

- (a) Describe an economic policy and state the qualities/principles on which a good policy is based. **(15 Marks)**
- (b) Using relevant examples, examine the common causes of policy failure in East African economies. **(10 Marks)**

Question Seven

- (a) Describe the concept of economic planning and explain the need for it any country. **(15 Marks)**
- (b) With reference to East African economies, account for the failure of most national development plans in developing countries. **(10 marks)**

END