

COURSE CODE/TITLE: ECO306/ECONOMIC DEVELOPMENT THEORY  
INSTRUCTIONS: 1. Question 1 is compulsory and ANY OTHER TWO questions.  
2. Do not write in your question paper

TIME ALLOWED: 2 HOURS



- 1 Write short notes on the similarities, differences and importance of the following concepts in development theory:  
(a) Natural rate and Warranted rate of growth (b) The centre and the periphery  
(c) Ingenuity gap and Physical object gap (d) Deficiency of effective demand and Laissez-faire policy (e) The Feudal stage and modern age stages of growth  
(6 marks each)
- 2 (a) Many of the countries in Latin America and sub-Saharan Africa are characterized by high income inequality and gross underdevelopment. Discuss any five (5) peculiar features of these economies (10 marks)  
(b) Evaluate and discuss, (i) the three (3) core values of development (5 marks)  
(ii) false paradigm model (5 marks)
- 3 (a) What do you understand by UN's post 2015 development agenda?  
Enumerate any five (5) of the goals of this agenda (10 marks)  
(b) What are the core features and assumptions of the traditional neo-classical growth theory? (5 marks)  
(c) Analyse and provide a critique of the stages of growth a La Rostow? (5 marks)
- 4 (a) Highlight and discuss in a chronological order the five (5) Marx's stages of economic growth. (10 marks)  
(b) Discuss briefly the convergence and divergence views of the classical economic to the theories of economic growth. How relevance are these views to developing economies (10 marks)
- 5 compare and contrast the following concepts/theories  
(a) Indivisibility in infrastructure and Indivisibility in demand  
(b) Big push thesis and Kremer's O-Ring theory  
(c) Agents of growth and control of population growth  
(d) Economic boom and economic recession (5 marks each)