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FACULTY OF THE SOCIAL SCIENCES  
DEPARTMENT OF ECONOMICS  
2017/2018 HARMATTAN SEMESTER EXAMINATION  
Course Code/Title: ECO 411 - Economic Planning

Instruction: Answer questions one, two and ANY other one. Clarity of expression and orderly presentation of relevant materials will be an asset.

Time Allowed: 2 HRS

Question 1

- a. What is Input-Output Analysis? Outline any four assumptions.  
b. Given the hypothetical economy with 3 industries A,B,C represented in the table below:-

PRODUCING INDUSTRY	USING INDUSTRY			TOTAL DEMAND	TOTAL OUTPUT
	A	B	C		
A	100	200	225	75	600
B	200	350	200	50	800
C	300	300	250	150	1000

Required:

- i. The Leontief matrix  
ii. Optimal output vector of the economy  
iii. Output vector of the economy if the demand changes to 150 for A, 560 for B and 200 for C

(25 marks)

Question 2

Economic planning is not the only way out of the present economic challenges facing the developing countries

- a. Do you agree with this statement? Why?  
b. What is then economic planning in all its ramifications?  
c. Identify and discuss the factors that necessitate planning  
d. What are the precondition s for successful economic planning  
e. Why has economic planning objectives yet to be fully achieved in developing economics? (Using Nigeria as a case study)

(25 marks)

Question 3

- A. What are economic planning models? Identify and discuss the components and forms of economic growth model in planning?  
B. In what ways is planning in a Decentralized economy different from the planning in a centralized economy.

(20 marks)

Question 4

With appropriate examples and illustrations explain any five (5) of the following terms as used in developing planning

- (a) Sectoral planning  
(b) Long term planning  
(c) Perspective planning  
(d) Aggregate growth models  
(e) Rolling plan  
(f) Financial planning  
(g) Democratic planning  
(h) Planning in a mixed economy

100	200	225
200	350	200
300	300	250

Total Output
600
800
1000

100	200	225
600	800	1000
200	350	200
600	800	1000
300	300	250
600	800	1000

(20 marks)