

**NATIONAL OPEN UNIVERSITY OF NIGERIA**

**FACULTY OF SOCIAL SCIENCES**

**DEPARTMENT OF ECONOMICS**

**2017\_2 EXAMINATION JANUARY/FEBRUARY 2018**

**COURSE TITLE: DEVELOPMENT ECONOMICS I**

**COURSE CODE: ECO 347**

**UNITS: 2**

**TIME ALLOWED: 2 HOURS**

**INSTRUCTION:ANSWER ANY THREE (3) QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS**

1a. Economic development is a goal every developing country strives to achieve. Explain the concept of economic development. What are the objectives of economic development in developing countries? Enumerate the criteria for development in developing countries. (12 marks).

b. Differentiate between economic growth and economic development. It is possible for an economy to grow but not develop. Explain the factors inherent in the phenomenon of growth without development (11marks).

2a. Discuss the peculiar characteristics of less developed countries. (15marks)

b Despite the characteristics that cut across LDCs, LDCs still have lots of differences. Explain the economic and non-economic diversities in LDCs. (8marks).

3a. Explain the concept of Adam Smith’s theory of economic development. Describe the agent and process theory of growth in Smith’s theory. (15marks)

b. Highlight the weaknesses of Smith theory to a developing country like Nigeria (8marks)

4a. What are the assumptions of Arthur Lewis dual-sector model. Explain the basic thesis of Lewis dual-sector model. (15marks)

b. Whyis Lewis dual-sector model inapplicable to a developing country like Nigeria? (8marks)

5a. Explicitly explain the assumptions and argument of Solow model (17 marks)

b. Explain the implications of Solow model for a developing country like Nigeria (6marks)