

**UNIVERSITY OF KABIANGA**

**UNIVERSITY EXAMINATTIONS**

**2014/2015 ACADEMIC YEAR**

**THIRD YEAR SECOND SEMESTER EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF ARTS(ECONOMICS)**

**COURSE CODE: *ECO 317***

**COURSE TITLE: ECONOMIC DEVELOPMENT II**

**INSTRUCTIONS:**

1. Answer question **ONE** (COMPULSORY)and any other **THREE** questions**.**
2. **Precise answers but detailed are encouraged**

***QUESTION ONE (25 MARKS)***

1. Discuss the characteristics of developing countries. (8 marks)
2. Explain the growth of economic development especially for a less developed country. (8 marks)
3. Differentiate economic growth and economic development. (6 marks)
4. Highlight some measures used in economic development. (3 marks)

***QUESTION TWO (15 MARKS)***

1. Explain with the aid of a diagram the vicious circle of poverty and how it can be broken. (8 marks)
2. Explain the factors that contribute to economic growth. (7 marks)

***QUESTION THREE (15 MARKS)***

1. Discuss the functioning of Harrod-Doman Model and its relevance for developing countries. (10 marks)
2. Discuss the stages for economic development according to Professor Rostow. (5 marks)

***QUESTION FOUR (15 MARKS)***

1. Discuss the techniques for economic development and investment criteria. (10 marks)
2. Explain the methods for financing economic development. (5 marks)

***QUESTION FIVE (15 MARKS)***

1. Define economic planning. (3 marks)
2. Explain importance of economic planning for a developing economy. (8 marks)
3. What are the problems associated with panning? (4 marks)

***QUESTION SIX (15 MARKS)***

1. Discuss the Solow growth model. (6 marks)
2. Discuss the negative effects of increased government spending on economic growth. (6 marks)
3. Briefly explain effects of distribution of income. (3 marks)