BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF ECONOMICS

MSC ECONOMICS

DEVELOPMENT THEORY AND POLICY MEC535 (3)

EXAMINATION DURATION 3 HOURS

INSTRUCTIONS

1. This paper carries six questions
2. Answer any four (4) questions.
3. All questions carry 25 marks.
4. Cellphones are not allowed in the examination room.

Question 1

Discuss the potential implications of the Inverted-U Hypothesis for economic policy in a developing country set up. **[25 marks]**

Question 2

Analyze the role of political stability in fostering economic development. **[25 marks]**

Question 3

Using practical examples, discuss the policy implications of endogenous growth theory. **[25 marks]**

Question 4

Using practical examples, discuss how the vicious circle of poverty affects economic growth and development. **[25 marks]**

Question 5

Using practical examples, evaluate the practical applications of the Lewis Model.

[25 marks]

Question 6

Using practical examples, analyze the relevance of the Solow growth model in the contemporary economies. **[25 marks]**

END OF PAPER