

BINDURA UNIVERSITY OF SCIENCE EDUCATION
FACULTY OF COMMERCE
DEPARTMENT OF ECONOMICS
MASTER OF SCIENCE DEGREE IN ECONOMICS
STRUCTURAL TRANSFORMATION AND GROWTH MEC512
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.
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QUESTION 1

- (a) Discuss the market forces influencing failures of fragile economies [15 marks]
(b) Explain why it is necessary for the developing country to build its own industry in its early stage of development. [10 marks]

QUESTION 2

Does culture play an important role in economic development? Explain the other key variables and drivers for economic growth. [25 marks]

QUESTION 3

Explain alternative ways that governments in a less-developed country might encourage and support easy Import Substitution Industrialization (ISI) firms to produce in competition with imports. [25 marks]

QUESTION 4

Discuss the implications of trade liberalization (Free Trade) policies adopted by developing countries: [25 Marks]

QUESTION 5

Analyse and review the policies that were implemented during the hyper inflationary era in Zimbabwe, stating the role of government in addressing the economic recession . [25 marks]

QUESTION 6

“African countries are poor and will remain poor if the governments do not take an active role in economic development”. Discuss how the state would play a central role in economic development for developing countries. [25 marks]

END OF PAPER