

SUMMER EXAMINATIONS 1999

DEVELOPMENT ECONOMICS II (EC316)

B.A. & B.Comm. Degree Examination

Professor F. Stephen
Professor M.P. Cuddy
Professor T.A. Boylan

Time allowed: TWO hours.

Please answer TWO questions.

1. It has been argued that neither the theory of demographic transition nor the neo-Malthusian analysis as represented by Nelson's low-level equilibrium population trap model provide an adequate analysis of the dynamics of the demographic situation in the less developed countries. Critically evaluate the validity or otherwise of this argument.
2. The application of microeconomic analysis, which has generated the 'new' household theory of fertility, has provided a theoretical foundation for a critical phase in the theory of demographic adjustment in less developed countries. Outline the principle features of this theory. What reservations, if any, would you have with respect to the application of this analysis in the context of less developed countries?
3. What are the principal economic reasons for the failure of rapid industrial growth in less developed countries to generate equally rapid employment growth? Is the current structure of the industrial growth-employment relationship an inevitable result of the process of modern industrialization? Elaborate on the reasons for your answer.
4. What in your estimation are the critical new insights provided by the Harris-Todaro model as an explanation for continuing rural-urban migration in the face of increasing urban unemployment in the context of the less developed countries? What policy implications can be drawn from the analysis of this topic from the Harris-Todaro model?
5. Given the new central role for agricultural and rural development within development thinking, what strategies must be followed if development is to be initiated and sustained? Is the new thinking on the centrality of agricultural and rural development compatible with the conventional role of agriculture as articulated for instance by Kuznets?