



**NATIONAL OPEN UNIVERSITY OF NIGERIA
DEPARTMENT OF ECONOMICS
FACULTY OF SOCIAL SCIENCES
2021_1 EXAMINATION**

COURSE TITLE: DEVELOPMENT ECONOMICS

COURSE CODE: ECO 714

UNITS: 2 UNITS

TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER ANY THREE QUESTIONS. AWARD ONE MARK FOR CLARITY.

- 1a. Explain in details why development economics is said to be larger in scope than the traditional neoclassical economics and political economy **(6marks)**
- 1b. Give any four (4) reasons why the study of economic development is necessary in Nigerian universities **(8marks)**
- 1c. Explain the various methods used in measuring economic growth **(9marks)**
- 2a. Explain the term “Production Possibility Curve (PPC) **(3marks)**
- 2b. With the aid of a good Production Possibility Curve diagram, explain how an economy can grow **(10marks)**
- 2c. List and explain five (5) classifications of technological progress **(10marks)**
- 3a. List and explain the arguments of any two (2) sub-groups in the international dependence theory **(10 marks)**
- 3b. Nigeria as a country is advised to adopt the unbalanced growth strategy. Explain **(10marks)**
- 3c. What is capital formation? **(3marks)**
4. Given a hypothetical data of the United States of America (USA) as follows; life expectancy at birth is 60years, mean-years of schooling is 6years, expected years of schooling is 15years and the GNI per capita (PPP US \$) is \$6,800. Calculate
- (i) Human Development Index (HDI) for USA **(15marks)**
- (ii) Categorize the country under the UN categories of human development **(4marks)**

Indicator	Max. Value	Min. Value
Life Expectancy at Birth (yrs)	83.57	20
Mean Years of Schooling	13.3	0
Expected Years of Schooling	18	0
Combined education index	0.957	0
GNI per capita (PPP US\$)	\$87,478	\$100

Use these Goalposts.

- (iii) outline the four (4) categories of human development according to the United Nations
(4marks)