

**NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2023 2 EXAMINATIONS**

**COURSE TITLE: ECONOMIC PLANNING II
COURSE CODE: ECO448
UNITS: 2
TIME ALLOWED: 2 HOURS**

**INSTRUCTION: ANSWER ANY THREE (3) QUESTIONS. ALL QUESTIONS
CARRY EQUAL MARKS**

QUESTION ONE

- 1a. List the essential features of an input-output technique. (7.5 Marks).
1b. Define and explain consumption function. (8.3 Marks).
1c. With the aid of the equation of consumption function.

$$C = c + bY$$

C – Total Consumption

c – Autonomous Consumption

Explain the term "Autonomous Consumption". (7.5 Marks).

QUESTION TWO

- 2a. Identify and explain the five (5) requirements for successful development planning (10 Marks).
2b. List four (4) processes (stages) to formulate a Linear Programming problem. (4 Marks).
2c. Define the following common terminologies used in Linear Programming. (9.3 Marks):
(i) **Decision Variables**, (ii) **Objective Function**, (iii) **Constraints**, and (iv) **Non-negativity restriction**.

QUESTION THREE

- 3a. List the structure and types of accounts in Social Accounting Matrices (SAMs). (12.3 Marks).
3b. Enumerate two conditions that must be satisfied as pre –requisites for building up input-output tables. (6 Marks)
3c. What is the meaning of the following acronyms which are models to actual economic planning? (5 Marks): (i) SSPM and (ii) CMSP.

QUESTION FOUR

- 4a. Identify the limitations and short comings or problems of input-output model (15 Marks).
4b. Discuss uses of social accounting matrix for macroeconomic planning (8.3 Marks)