

**SUPPLEMENTARY EXAMINATIONS**

**{MAIN CAMPUS& CITY CAMPUS}**

**AEC 403: DEVELOPMENT ECONOMICS**

**TIME: 2 HOURS**

**INSTRUCTIONS :** Answer question **ONE** and any other **TWO** questions.

**Question One.**

- a. Comment on the 'Dethronement of GDP' as a measure of Economic Development. ( 10 Marks)
- b. Discuss the problems encountered in trying to measure the real Gross Domestic Product (GDP) in a Less Developed Country (LDC) ( 20 Marks)

**Question Two.**

- a. Describe the nature of agriculture in LDCs at early stages of development. (5 Marks)
- b. Explain the process of agricultural transformation to the modern high productivity commercial farming. (15 Marks)

**Question Three.**

- a. Discuss the Rostow's Stages Theory of Development. (10 Marks)
- b. What criticisms can be advanced about the Stages Theory? (10 Marks)

**Question Four.**

- a. Outline the core values of development. (5 Marks)
- b. How is income distribution likely to change as Economic Development takes place?. (15 Marks)

**Question Five.**

Outline and discuss the common characteristics of Less Developed Countries (LDCs)  
(20 Marks)