NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2025_2 EXAMINATIONS

COURSE TITLE: DEVELOPMENT ECONOMICS I
COURSE CODE: ECO 347
UNITS: 2
TIME ALLOWED: 2 HOURS
INSTRUCTION: ANSWER THREE (3) QUESTIONS. QUESTION ONE (1) IS COMPULSORY.

Question 1(a): The Solow model which is seen as a building block for most of the new growth models has however been criticized overtime. Mention three of its criticisms and also state the implications of the model. **(10marks)**
Question1(b): In discussing the contributions of Karl Marx to the theory of economic development, three salient points are raised. List and explain two of these points**.(10marks)**
Question 1(c): Enumerate and explain five (5) policy measures capable of strengthening sustainable development in Nigeria. **(10marks)**

Question 2(a): With the aid of a diagram, explain the demand side and supply side of the Vicious Circles of Poverty. (**10 marks**).
Question 2(b): In the new growth theories, two broad approaches were used to relax the assumption of diminishing returns to capital. Explain these approaches. **(10marks)**

Question 3(a): Give at least six (6) reasons why it is necessary to study economic growth. (**12 Marks)**
Question 3(b): Kuznets empirically identified six characteristics features present in the growth process of every developed nation. Discuss 4 of them. **(8Marks)**

Question 4(a): There are certain indicators that can give us an idea of the level of underdevelopment in a country. Explain five (5) of these indicators**. (10marks)**
Question 4(b): Given that the real GDP in Nigeria for 2022 and 2023 were 20.6 trillion and 18.9 trillion Naira respectively, calculate the growth rate in the economy.(**10 marks**)