



SCHOOL OF ECONOMICS AND ECONOMETRICS

KINGSWAY CAMPUS FINAL ASSESSMENT NOVEMBER 2017

Course: Economics 2E

Date : November 2017

Time : 2 Hours

Marks : 100

Assessors: Mrs A Ohonba, Mr T Zwane & Ms K Mmelesi

Moderator: Dr P Baur

Instructions:

1. This paper consists of 13 pages.
2. Please answer ALL questions in the spaces provided, neatly and clearly.
3. Please write your name and student number clearly on each page of this exam paper.

Surname																			
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Initials			
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Student number										
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	Marks	Total
1		10
2		15
3		20
4		10
5		15
6		14

	Marks	Total
7		10
8		6
Total		100

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Student Number: _____

QUESTION 1**[10]**

Within the context of Development Economics, explain briefly what is meant by the following terms.

	Terminology	Explanation
1	Sen's Definition of 'Capabilities'	
2	Coordination Failure	
3	Kuznets Curve	
4	Economic institutions	
5	Tied aid	

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Student Number: _____

QUESTION 2**[15]**

Using appropriate diagrams, discuss the “Lewis Two Sector Model”.

Diagrams:(8)

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Student Number: _____

Discussion:(7)

Surname and Initials: _____

Student Number: _____

QUESTION 3**[20]**

- (i) Differentiate clearly between ***Absolute poverty*** and ***Relative poverty*** in relation to South Africa (4)

- (ii) In measuring inequality, distinguish clearly between the ***size*** and ***functional*** distributions of income (4)

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- (iii) It is vitally important to have an appropriate measurement of Inequality. Therefore, there are certain desirable properties that an appropriate inequality measure should have. List and describe any **three of these desirable principles** (6)

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- (iv) Discuss three (3) broad areas of possible Government Policy Interventions that would improve a country's distribution of income. (6)

	Policy Intervention.
1	
2	

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3	
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QUESTION 4**[10]**

Explain with the use of an appropriate diagram, the 'Malthusian Population Trap'.

Diagram: (6)

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Student Number: _____

Explanation: (4)

QUESTION 5

[15]

(i) With regard to the Microeconomic theory of fertility, state the 'Demand for children equation' and identify each of the variables. (5)

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(ii) Illustrate graphically and explain 'The Harris-Todaro model' of migration

(10)

Diagram:(5)

Explanation:(5 marks)

Surname and Initials: _____

Student Number: _____

QUESTION 6**[14]**

- (i) With the use of two appropriate, illustrated diagrams, discuss the Social versus Private Benefits and Costs of Education

Diagrams:(8)**Explanation:(6)**

Surname and Initials: _____

Student Number: _____

Surname and Initials: _____

Student Number: _____

QUESTION 7**[10]**

List and fully discuss any five (5) major arguments in of support 'Foreign Direct Investment' in developing countries.

Supporting FDI into Africa:	
1	
2	
3	
4	
5	

Surname and Initials: _____

Student Number: _____

QUESTION 8**[6]**

(ii) Please read the following excerpt below and answer the subsequent questions

Academic calls for patience in decolonising education

University of Johannesburg Vice-Chancellor and Principal, Prof Ihron Rensburg, says decolonising education will not be achieved overnight.

Rensburg delivered the annual Nelson Mandela Education Legacy Lecture at the university's Kingsway campus on Monday night.

The lecture seeks to honour the legacy of former President Nelson Mandela in terms of his writings, speeches and actions.

Among other topics, Rensburg's tackled the meaning of decolonising knowledge and universities, as one of the demands raised by students as part of the Fees Must Fall movement.

"We don't wake up one morning and we're decolonised. It's reading, it's excavating, and it's going into the archives. It is spending hours on hours, days on days, weeks on weeks, coming to terms with this work. It is detailed work, it is difficult work, it is hard work, and it does take time. In 50 years' time we must be in a different space, but that journey begins today, not in 25 years or 50 years' time," says Rensburg.

[<http://www.sabc.co.za/news/a/09e1118042aaefa8a0a1b5b8f4332026/Academic-calls-for-patience-in-decolonising-education-20171909>]Tuesday 19 September 2017 08:41 Wisani Makhubele

(a) Explain what you understand by decolonisation?

(2)

(b) Do you agree or disagree with decolonisation? Explain

(4)

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