



<b>COLLEGE</b>	College of Business & Economics
<b>SCHOOL</b>	Economics
<b>CAMPUS</b>	APK
<b>MODULE NAME</b>	Economics 2E
<b>MODULE CODE</b>	ECO2EB2/EKN2E01
<b>SEMESTER</b>	Second
<b>ASSESSMENT OPPORTUNITY</b>	Supplementary Assessment
<b>MONTH &amp; YEAR</b>	January 2020

<b>ASSESSMENT DATE</b>	January 2020	<b>SESSION</b>	1
<b>ASSESSOR(S)</b>	Mrs A Ohonba Dr MR Maleka		
<b>MODERATOR(S)</b>	Prof P Baur		
<b>DURATION</b>	2hours	<b>TOTAL MARKS</b>	<b>100</b>

1. Answer all questions on this test paper.
2. This paper consists of 11 pages.

[illegible]

Surname and Initials

Student Number

**QUESTION 1****[20]**

- (i) Define and explain what is meant by the following terminology (10)

	<b>Terminology</b>	<b>Define and Explain</b>
1	<b>Coordination Failure</b>	
2	<b>Convergence</b>	
3	<b>Headcount index</b>	
4	<b>Structural transformation</b>	
5	<b>Poverty gap</b>	

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_

- (ii) Briefly discuss two neoclassical counterrevolution models under the headings of the 'free-market approach', and 'market-friendly approach' (10)

Free-market approach(5)

Market-Friendly Approach: (5)

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_

**QUESTION 2****[20]**

- (i) With the use of a diagram and an explanation, fully discuss the “The Big Push Model”. (14)

Diagram: (8)

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_

Discussion: (6)

- (ii) The urban informal sector is often seen as the 'forgotten' sector. Discuss any three reasons why this sector should be given better consideration by the government. (6)

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_

**QUESTION 3****[20]**

(i) Explain five negative consequences of population growth.

(10)

1	
2	
3	
4	
5	

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_

(ii) Clearly distinguish between economic growth and economic development. (4)

(iii) Describe the concept 'hidden momentum of population growth' (3)

(iv) Distinguish between 'Tied Aid' and 'Bilateral Aid' (3)

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_

**QUESTION 4****[20]**

- (i) Physical security is the foundation for human capability. Yet violent conflict (war) has held back progress in many of the poorest economies in the world. Discuss any 3 causes of 'Armed Conflict' in developing countries. (6)

- (ii) Discuss three policy implications of the Harris-Todaro model (6)

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_



- (iii) Discuss four causes of the 'urban Giantism' problem (8)

**QUESTION 5****[20]**

- (i) Graphically illustrate and explain the difference between Private versus Social Benefits and Costs of Education (10)

Diagrams (6)

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_

Explanation (4)

- (ii) *Foreign Direct Investment in South Africa increased by 26301 ZAR Billion in the second quarter of 2019.*

Discuss three main advantages of FDI in South Africa

(6)

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_

- (iii) Discuss briefly the impact of the Fourth industrial revolution on Education (4)

Surname and Initials \_\_\_\_\_

Student Number \_\_\_\_\_