



*“Investing in Africa’s Future”*

College of Business, Peace, Leadership and Governance

**PSM515: ECONOMIC POLICIES AND DEVELOPMENT**

**END OF FIRST SEMESTER EXAMINATIONS**

**NOV/DEC 2019**

**LECTURER: G. MANDEWO**

**DURATION: (3 HRS)**

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### ***INSTRUCTIONS***

Answer **ANY FOUR** questions. Total possible mark is **100**.

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Start **each** question on a new page in your answer booklet.

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The marks allocated to **each** question are shown at the end of the question.

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**Show all your workings.**

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Credit will be awarded for logical, systematic and neat presentations.

1. With reference to the Zimbabwean economy in the past 10 years critically analyse why government intervention through fiscal and monetary policies seem to be ineffective in fostering economic growth. **[25 marks]**
2. Based on Rostow's development stages, critically reflect on the progress of Zimbabwe or lack of it. **[25 marks]**
3. Write detailed notes on the following:
  - (a) O-ring theory of economic development
  - (b) Lewis model of economic development
  - (c) Dependency theory
  - (d) Neoclassical growth theory **[25 marks]**
4. Suppose you have been co-opted by a team of economist to come up with a blue print on strategies to enhance economic growth in Zimbabwe. Draft a paper with clear strategies and possible outcomes for Zimbabwe sustainable growth. **[25 marks]**
5. Having explored the theories of development reflect on the Zimbabwean case without being political **[25 marks]**
6. Fiscal and Monetary Policies can be used by the government to foster economic growth. Critically assess the feasibility of applying these policies in a Zimbabwean setting and predict the most likely outcomes **[25 marks]**

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