**I) Multiple Choices: Choose–Draw or calculate if needed:**

1. **All but one of the following are considered traditional view of ED:**
2. Trickle-down effect.
3. Bottom up approach.
4. achieve 5-7% GNI growth rate annually.
5. Development strategies focus on industrialization.
6. **Income gaps between rich and poor countries tend to be…….if using……**
7. larger, Exchange Rate.
8. Less, Exchange Rate.
9. Larger, PPP.
10. Less, PPP.
11. Both answers a and b.
12. Both answers a and d.
13. **The spread of "trickle-down" effects to generate sustained economic growth; was a belief during………**
14. 1950s and 1960s.
15. 1950s and 1960s and 1970s.
16. 1950s only.
17. 1950s only.
18. **The historical experience of "Marshal Plan" affected Economic Development approaches of….**
19. Rostow’s Stages of Growth.
20. Harrod Domar Growth Model.
21. 1970s mainstream
22. Both answers a and b.
23. All of the above.
24. **Within Lewis model the worker wage in the agriculture sector is ..**
25. Equal to his average productivity.
26. Lower than wages in the industrial sector.
27. Determined according to his skills and training.
28. Both answers a and b.
29. Both answers b and c.
30. **Which of the following is not a part of the Neoclassical Counterrevolution beliefs?**
31. Privatization.
32. Get rid of the government.
33. Washington Consensus.
34. Tax reform.
35. **If the Human Development Report 2009 gives Egypt a rank of 123rd out of 182 countries with data shown in the table below**

|  |  |
| --- | --- |
| Life expectancy at birth (years) | 69.9 |
| Adult literacy rate(% ages 15 and above) | 66.4 |
| Combined gross enrolment ratio (%) | 76.4 |
| GDP per capita (PPP US$) | 5,349 |

***After calculation, Egypt would lie in the:* (show your calculations)**

1. Low HDI range.
2. Medium HDI range.
3. High HDI range.
4. Very high HDI range.
5. **Within Lewis model self-sustaining growth will stop when**
6. MPL in agriculture sector =0.
7. MPL in agriculture sector >0.
8. MPL in agriculture sector <0.
9. None of the above is true.
10. **Assessment of development strategies during the 1970s revealed that:**
11. efforts to distribute income and wealth more equitably may hinder high levels of economic growth.
12. automatic mechanisms had produced more than the expected spread effects in poor countries.
13. natural resources exports of developing countries enabled them to raise the living conditions of their people as they were demanded heavily for the production processes of MNCs in developed countries.
14. None of the above.
15. **The Dualistic-Development Thesis argues that:**
16. Dualism problem faced by developing countries is temporary and would be resolved after a transitional period of time.
17. Productivity differences between developing and developed countries seem to increase by time.
18. Superior elements in developing countries are useful for pulling the inferior elements up, thus contributing to the development of the latter.
19. All of the above.

**II) Answer the following two problems Using Harris-Todaro Model:**

1. Given that the agriculture sector wage is 30 L.E., and minimum wage in Urban sector = 100 L.E , if Urban labor force (LUS) = 1,000,000 persons, from which only 600,000 persons are presently employed in the manufacturing sector.

***How much should be the agricultural wage to prevent rural-urban migration?***

1. If Rural sector income=60 L.E., and Urban sector income =180L.E

***How much should be the employment rate for the R-U migration to be individually profitable?***

**III) True or False:Put Sign-Explain in *not more than 6 lines*-Draw if needed**

1. According to the “Capabilities Approach”, measuring human well-being using the concept of utility is much better than using consumption as a measure of development ( )
2. Development theories during the 1980s focused on the search for the key sectors into which national resources and international assistance would be channeled. ( )
3. The “Lewis Model” viewed high levels of savings and investments as necessary but not sufficient conditions for economic growth ( ).
4. The Neocolonial dependence model attributed underdevelopment to a set of causes among which, the inappropriate methods of training given to the elites of the developing countries. ( )
5. Development targets only the money metric to change from ill-being to well-being ( )