

Written Exam for the B.Sc. in Economics summer 2012

Development Economics

Final Exam

June 14th, 2012

(3-hour closed book exam)

Please note that the language used in your exam paper must correspond to the language of the title for which you registered during exam registration. I.e. if you registered for the English title of the course, you must write your exam paper in English. Likewise, if you registered for the Danish title of the course or if you registered for the English title which was followed by “eksamen på dansk” in brackets, you must write your exam paper in Danish.

If you are in doubt about which title you registered for, please see the print of your exam registration from the students’ self-service system.

Please answer ALL questions.

Problem A

Please explain briefly:

1. The relationship between the Gini coefficient and the Lorenz curve.
2. The definition of the “poverty gap”.
3. Major trends in population growth in developing countries over the last three-four decades.
4. The main assumptions and conclusions of Kaushik Basu’s model of child labor.
5. The meaning of the term “development accounting”.
6. What the “Kuznets curve” shows.
7. The definition of a country’s “commodity terms of trade”.

Problem B

Please outline the Harris-Todaro model of rural-urban migration. Explain the main advantages and limitations of the model.

Problem C

Please provide a discussion of the role of institutions in economic development.