University of Mohamed Lamine Depaghine Setif 2

Department of political science

Second Semester Examination in Development Economics

First-Year Common Core Program in Political Science

2025-2026

Full Name : ……………………………………………

Group :…………………

Reg. No / ID ……………………………………

Model Answer

❖ *Complete the following tasks*

Task 01 : Choose the correct answer (10pts**)**

1- developing countries is :

- have higher -income [ ]
- have low -income [x]
- have higher- prices [ ]

2- Michael P. Todaro and Stephen C. Smith, development economics is concerned :

- the economic, social, and institutional mechanisms necessary. [x]
- the political, culture,and mechanisms necessary. [ ]
- glopalization and freedom [ ]

3- Amartya Sen broader the concept of development economics to include

- human freedoms and capabilities. [x]
- opportunities and capabilities. [ ]
- political instability. [ ]

4- Economic Growth typically measured by :

- growth rate of real Gross Domestic Product (GDP). [x]
- and large-scale improvements in levels of living.(LIL). [ ]
- the growth rate of levels poverty.(GLP) [ ]

5- One of Rostow's most important ideas is

- the take-off stage [x]
- relational outcomes [ ]
- Surplus transfer [ ]

Tast02 : Mention the five stages of growth according to Rostow. (5pts)

- 1. The Traditional Society
2. 2. Preconditions for Take-off
3. The Take-off
4. The Drive to Maturity
5. The Age of High Mass-Consumption

Optional questions: Please answer only one question, Responses in Arabic are permitted

Task03 : Explain the concepts of center and periphery in development theories. (5pts**)**

1- **The center tends to control :**
2- Center/periphery describes **positions in the global production and power hierarchy**, not simply “rich vs poor countries.
3- technology and innovation rents
4- finance and reserve currencies
5- high value-added segments of production
6- agenda-setting institutions (rules of trade, finance, IP)
7- **The periphery tends to specialize :**

-raw materials, low-tech manufacturing, and labor-intensive segments
-price-taking positions in global markets
-dependence on imported capital goods/know-how.

Task04 ; Explain the concept of the “Poverty Trap” (Cycle of Poverty) and how To break this circle.(5pts**)**

One of the most critical concepts in development economics is the **Poverty Trap**. It explains why poverty is self-reinforcing.

- **Low Income** leads to **Low Savings**.
- **Low Savings** means **Low Investment** in physical capital (tools, technology) and human capital (education, health).
- **Low Investment** leads to **Low Productivity**, which results back in **Low Income**.
To break this circle, economists argue for "big push" investments—significant external interventions in infrastructure, health, or education to jumpstart the economy

Hard work pays off ***Haddad .M***