



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
OCTOBER 2024 SEMESTER**

COURSE CODE	: EGB30803
COURSE NAME	: ECONOMIC DEVELOPMENT
PROGRAMME NAME	: BACHELOR OF SCIENCE (HONS) IN ANALYTICAL ECONOMICS
DATE	: 3 FEBRUARY 2025
TIME	: 9.00 AM – 12.00 PM
DURATION	: 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
2. This question paper has information printed on both sides of the paper.
3. This question paper consists of **FOUR (4) Questions**.
4. Answer **ALL** questions.
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. This question paper must not be removed from the examination hall.

THERE ARE TWO (2) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

INSTRUCTION: Answer ALL questions.

Please use the answer booklet provided.

Question 1

- (a) GDP per capita is often associated with a country's level of development. Discuss the pros and cons of this statistic as a measure of development. Is there an alternative way to measure a country's growth and development? Explain briefly.

(10 marks)

- (b) Comment on the following statement: A lower Gini coefficient is more desirable to any economy than a higher GDP per capita.

(15 marks)

Question 2

Malaysia: Poverty and Inequality

	2019	2022
Incidence of absolute poverty (%)	5.6	6.2
Gini coefficient	0.407	0.404

- (a) Explain the meaning of the two indicators in the table above and how they are measured.

(10 marks)

- (b) Based on the table above, discuss poverty and inequality in Malaysia. In your discussion, explain why you think the two indicators are moving in the opposite direction.

(15 marks)

Question 3

- (a) Explain why, according to the two-sector Lewis development model, the productivity of the agriculture sector will also improve despite labour migration to the urban sector. Relate your discussion with Malaysia's experience.

(10 Marks)

- (b) Do you think the Lewis model can significantly explain Malaysia's development experience? Explain your answer.

(15 marks)

Question 4

- (a) Briefly explain what child food poverty means. Why is eradicating child food poverty seen as an economic investment?

(10 marks)

- (b) Do you think Malaysia has a child food poverty issue? What would your policy recommendation be to tackle this issue? Explain your answer.

(15 marks)

END OF EXAMINATION PAPER