



**HEBERT CHITEPO LAW SCHOOL
BACHELOR OF LAWS HONOURS DEGREE
EXAMINATION QUESTION PAPER**

MODULE	LLB 522
MODULE NARRATION	LAW AND ECONOMIC DEVELOPMENT
DATE	2025
DURATION	3 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Clearly number all the questions you are answering.
2. Section A is compulsory.
3. Answer any 2 (two) questions from Section B.
4. Mark all answer sheets with your student number.
5. Support all your answers with relevant legal authority.
6. This paper consists of 5 (five) pages including the cover page.
7. Write legibly.

SECTION A

This section is compulsory

QUESTION 1

- a) Briefly explain the concept of 'development' from Amartya Sen's perspective, highlighting its key principles and implications. **[5 marks]**
- b) Van Rooij and Nicholson argue that Law and Development approaches have set overly ambitious expectations but have failed to produce significant results, facing increasing criticism regarding their actual impact. Critically analyse this claim by assessing both sceptical and optimistic perspectives on the role of law in economic development. **[10 marks]**
- c) How does corruption affect legal and economic stability in developing and developed countries? Analyse the role of legal frameworks, enforcement mechanisms, and international regulations in combating corruption while ensuring sustainable economic growth. **[10 marks]**
- d) How do global value chain function, and what impact do they have on economic development? **[5 marks]**

[Sub-Total: 30 Marks]

SECTION B

Answer any TWO questions in this Section.

QUESTION 2

- a) Since gaining independence, Zimbabwe has faced persistent economic challenges. While early successes in subsistence farming provided temporary stability, both the

agricultural and mining sectors are now on the verge of collapse due to mismanagement, climate change, and declining investment. In response to the crisis, the World Bank and Russia have proposed a \$200-million aid package aimed at infrastructural development to revitalize key industries. However, the aid comes with stringent conditions, requiring Zimbabwe to implement significant reforms in human rights policies, with a particular focus on environmental conservation and animal welfare. The President remains sceptical, concerned about the long-term implications of accepting aid under such conditions.

Given the complexities of foreign aid, economic sovereignty, and policy reform, critically assess the potential impact of this aid on Zimbabwe's economic growth. Advise the President on the benefits, risks, and trade-offs associated with accepting or rejecting this financial assistance. **[15 marks]**

- b) How do global value chain function, and what impact do they have on economic development? **[5 marks]**

[Sub-Total: 20 Marks]

QUESTION 3

- a) Critically examine the role of Multilateral Financial Institutions (MFI) in promoting sustainable economic development. How do MFIs use strong legal frameworks contribute to reducing poverty and inequality, particularly in developing economies? **[10 marks]**
- b) Analyse the impact of international arbitration on economic growth in developing economies. How do arbitration-friendly legal systems enhance foreign direct investment and financial stability? **[10 marks]**

[Sub-Total: 20 marks]

QUESTION 4

- a) GH Holdings, a multinational mining corporation operating in a developing country, is accused of environmental damage, poor labour conditions, and displacement of local communities. The company claims it complies with national laws, but human rights organizations argue that its practices violate international human rights standards.

How should multinational corporations balance compliance with national laws and adherence to international human rights standards, particularly in cases where their operations negatively impact local communities and the environment? **[10 marks]**

- b) Beyond economic crimes, what are the major legal and institutional challenges affecting economic development in various countries, particularly in developing economies? Discuss how they influence legal and economic stability.

[10 marks]

[Sub-Total: 20 marks]

QUESTION 5

- a) Bilateral Investment Treaties (BITs) are often criticized for placing significant obligations on developing countries to provide legally enforceable protections to foreign investors. Examine key legal provisions commonly included in BITs, such as investor-state dispute settlement (ISDS), fair and equitable treatment (FET), and protection against expropriation. How have these provisions influenced economic policies in developing nations, and what controversies or challenges have arisen regarding sovereignty, regulatory autonomy, and developmental priorities?

[10 marks]

- b) What are the key challenges in consolidating and sustaining democratic institutions while simultaneously pursuing economic development? How have different countries navigated these challenges, and what lessons can be drawn from their experiences?

[10 marks]

[Sub-Total: 20 Marks]

QUESTION 6

- a) Critically examine the Dependency Theory in the context of law and economic development, using contemporary case studies from Zimbabwe. How do legal and economic structures reinforce dependency on external financial institutions, multinational corporations, and foreign aid? **[10 marks]**
- b) According to IMF, its main role is to achieve sustainable growth and prosperity for all its 191 member countries. Examine the efficiency of IMF in achieving its role. **[10 marks]**

[Sub-Total: 20 Marks]

TOTAL MARKS 70

END OF QUESTION PAPER