



MAASAI MARA UNIVERSITY

REGULAR UNIVERSITY EXAMINATIONS 2018/2019 ACADEMIC YEAR THIRD YEAR FIRST SEMESTER

**SCHOOL OF BUSINESS AND ECONOMICS
BACHELOR OF SCIENCE IN ECONOMICS
BACHELOR OF SCIENCE IN FINANCIAL ECONOMICS
BACHELOR OF SCIENCE IN ECONOMICS AND
STATISTICS
BACHELOR OF SCIENCE IN AGRICULTURAL
ECONOMICS AND RESOURCE MANAGEMENT
BACHELOR OF AGRIBUSINESS MANAGEMENT
COURSE CODE: ECO 3105
COURSE TITLE: DEVELOPMENT ECONOMICS**

DATE: 13TH DECEMBER 2018

TIME: 11.00AM - 13.00PM

INSTRUCTIONS TO CANDIDATES

Answer Question **ONE** and any other **THREE** questions

This paper consists of 2 printed pages. Please turn over.

QUESTION ONE

- a) With reference to a country of your choice drawn from Asia, Latin America or Africa, using the internal and external barriers to development, discuss the fundamental structural changes that the country would have to undertake for substantial progress to be made. **(15 Marks)**
- b) Explain the relationship between debt overhang and economic growth. **(5 Marks)**
- c) Explain why increased savings and investment are perceived as necessary but not sufficient conditions for economic growth. **(5 Marks)**

QUESTION TWO

- (a) Explain the four key elements of dualistic –development thesis. **(5Marks)**
- (b) Discuss any five Sustainable Development Goals. **(10 marks)**

QUESTION THREE

- (a) With reference to Kenya Vision 2030, discuss the concept of leading sectors. **(10 Marks)**
- (b) Discuss reasons why donors and recipient countries give and receive Aid. **(5 Marks)**

QUESTION FOUR

Explain the essential distinctions among the stages of growth theory of development, the structural change models and the theory of international dependence, which model do you think provide the best explanation of the situation in Kenya? Explain your answer. **(15 Marks)**

QUESTION FIVE

- a) Economic growth and development definitely requires a break with the past. Discuss with reference to structural transformation. **(8 Marks)**
- b) Widespread poverty, high unemployment, and growing income inequality make Kenya a country of economic as well as geographic diversity. Discuss **(7 Marks)**

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