



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF
SCIENCE AND TECHNOLOGY
(MMUST)**

SUPPLEMENTARY/SPECIAL EXAMINATION

**UNIVERSITY EXAMINATIONS
2021/2022 ACADEMIC YEAR**

SECOND YEAR FIRST SEMESTER EXAMINATIONS

**FOR THE DEGREE OF
BACHELOR OF SCIENCE –ECONOMICS /BACHELOR OF
EDUCATION ARTS /BACHELOR OF COMMERCE**

COURSE CODE: ECO 204

COURSE TITLE: ISSUES IN AFRICAN ECONOMIC DEVELOPMENT

DATE: 26-07-2022- TUESDAY

TIME: 8:00-10:00

INSTRUCTIONS TO CANDIDATES

ATTEMPT QUESTION **ONE** AND ANY OTHER **TWO**

TIME: 2 Hours

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 3 Printed Pages. Please Turn Over.

QUESTION ONE

- a. Differentiate between the following paired concepts with the use of relevant examples:
- i. Economic development and economic growth
 - ii. Gross domestic product and per capita income
 - iii. Balance of trade deficits and government deficits
 - iv. Institutional and structural transformation
 - v. Fiscal and monetary policy (25 marks)
- b. With the use of a clear diagram, describe a typical cycle of poverty commonly experienced by Sub-Saharan countries (5 marks)

QUESTION TWO

As a Planning Officer, suggest appropriate policy interventions that can be used to resolve the following Sub-Saharan development problems:

- a) Food insecurity
- b) Income inequalities
- c) Environmental degradation
- d) Balance of trade deficits (20 marks)

QUESTION THREE

- a) Critically describe the application of Rostow's economic growth theory in Kenya's development process. (8 marks)
- b) Identify the socio-economic costs associated with rapid development and suggest ways in which they can be reversed. (12 marks)

QUESTION FOUR

a) Explain how the following sectors can be transformed in order to achieve Kenya's long term sustainable development objectives:

- i) Informal sector
- ii) Energy sector
- iii) Agriculture
- iv) Tourism (20 marks)

QUESTION FIVE

- a) Identify the principle objectives of Structural Adjustment Programs within a Sub-Saharan context (8 marks)
- b) Describe the key factors constraining the implementation of Kenya's mid-term development plans and show how they can be overcome (12 marks)