



(University of Choice)

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

SPECIAL/SUPPLEMENTARY EXAMINATION

**UNIVERSITY EXAMINATIONS
2021/2022 ACADEMIC YEAR**

THREE YEAR FIRST SEMESTER EXAMINATIONS

**FOR THE DEGREE
OF
BACHELOR OF SCIENCE IN ECONOMICS/ BACHELOR OF
MATHEMATICS AND ECONOMICS**

COURSE CODE: ECO 306

COURSE TITLE: HISTORY OF ECONOMIC THOUGHT

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 2 Printed Pages. Please Turn Over.

QUESTION ONE

- a) With the aid of appropriate diagrams, analyze Marshallian contributions to economic thought (14 Marks)
- b) What is the monetarist equation that represents full employment?(8 Marks)
- c) Discuss the Léon Walras's Contribution to Mathematical Economics? (8 Marks)

QUESTION TWO

Write brief notes on the following concepts on history of economic thought (20 Marks)

- a) The Physiocratic Concept of Natural Order
- b) The Physiocratic Concept of Net Product
- c) The Physiocratic Concept of Circulation of Wealth
- d) The Physiocratic Concept of Taxation
- e) The Physiocratic Concept of Trade and Laissez Fair

QUESTION THREE

Critically discuss the contribution of Adam Smith to commercial capitalism and the genesis of classical schools (20 Marks)

QUESTION FOUR

- a) What do you understand by the terms 'objectivity' and "subjectivity" in the History of Economic Thought (6Marks)
- b) Even though monetarists generally share the position of classical economists, they are however further bound together by some positions. What are these conditions? (6Marks)
- c) Name any three monetary Economists and briefly highlight their contribution to Economic Thought. (8 Marks)

QUESTION FIVE

- a) What is mathematical economics? Which areas are the broad applications of mathematical economics? (10 Marks)
- b) Write short notes on the following;
- c) a). Mercantilism and physiocracy
- d) b).Ricardo's theory of income distribution (10 Marks)