



(University of Choice)

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

**MAIN EXAMINATION**

**UNIVERSITY EXAMINATIONS  
2022/2023 ACADEMIC YEAR**

**FIRST YEAR SECOND SEMESTER EXAMINATIONS**

**MASTER OF SCIENCE - ECONOMICS**

**COURSE CODE: ECO 804**

**COURSE TITLE: ECONOMIC OF DEVELOPMENT**

**DATE: TUESDAY 06/12/2022**

**TIME: 2:00-5:00**

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**INSTRUCTIONS TO CANDIDATES**

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

TIME: 3 Hours

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over

### **QUESTION ONE.**

- i. Discuss the purpose and performance of the IMF and World Bank's stabilisation and structural adjustment programmes in supporting the economic progress of developing countries. (10 Marks)
- ii. Critically assess the impact of foreign aid in the presence of the 'savings displacement effect' and 'fungibility'. (7 marks)
- iii. Briefly outline the limitations of the Human Development Index (HDI) as a measure of economic development (7 Marks )
- iv. Comprehensive discuss the role and contribution of education to Economic Development Kenya (6 Marks)

### **QUESTION TWO**

- i. Corruption is a disease but if controlled can leads to development. Discuss (8 Marks)
- ii. Rev. Robert Thomas Malthus is a proponent of the dangers of population to national property. Discuss the relevance of this theory to developing nations like Kenya (12 Marks)

### **QUESTION THREE**

- a). Explain the circular flow of modern economic growth (Include diagram) and explain why in your opinion Kenya has not achieved economic growth given the three components in Kuznets (12 Marks)
- b). Describe the capitalist crisis as explained in the Marxian theory, Is Marxian theory applicable to the less developed countries? State reason(s) for your answer. (8 Marks)

### **QUESTION THREE**

- a) International trade is powerful engine of economic growth and development. Discuss this statement. (7 Marks)

- b) Precisely discuss the policy options developing countries can adopt to alleviate poverty (7 Marks)
- c) Developing countries have placed heavy emphasis on agriculture. is it good or bad. Discuss it with in relation to modern economic growth (6 Marks)

#### **QUESTION FOUR**

- a) Developing Nations have made plans and strategies to propel their nations to economic growth and development with varied degree of success. Discuss reasons for failures and policy recommendation (8 Marks)
- b) Critically examine the proposition that international aid flows will lead to sustained economic development. Discuss (7 Marks )
- c) Policies to increase agricultural productivity would also help reduce rural-urban migration. Briefly discuss. (5 Marks )

#### **QUESTION FIVE**

- a). What are the millennium development goals and what were re they aimed at? (3 marks)
- b). State the 17 sustainable development goals proposed by the United development programme ? (17 Marks)

#### **QUESTION SIX**

- a) It is argued that foreign aid is only effective if 'good macroeconomic policies are present'. Does empirical evidence support this statement? (6 marks)
- b) Evidence shows that more accountable governments are more successful in dealing with Economic growth factors True or false? Discuss. (7 Marks)
- c) According to Simon Kuznets, what has been the key element marking the epoch of modern economic growth? (7Marks )

