

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR
OF COMMERCE/ENTREPRENEURSHIP AND ENTERPRISE MANAGEMENT

BEEM 332: ENTREPRENEURSHIP AND ECONOMIC DEVELOPMENT

STREAMS: BCOM/BEEM (ODEL)

TIME: 2 HOURS

DAY/DATE: TUESDAY 20/7/2021

8.30 A.M. – 10.30 A.M.

INSTRUCTIONS: Answer question ONE and any other TWO questions

- Q1. (a) The essential characteristics of the business firm is that it purchases factors of production and transforms these resources into various goods and services. Identity and describe these factors of production and show their importance in the production process. [10 marks]
- (b) Discuss the concept of entrepreneurship as an economic activity [10 marks]
- (c) Discuss the economic factors influencing the economic development of a country. [10 marks]
- Q2. (a) Although agriculture is the backbone of a developing country like Kenya, there is little contribution to economic development from agriculture without value addition. Discuss this statement giving relevant examples. [12 marks]
- (b) Describe any four characteristics of developing and low income countries and show how they are linked to poverty in their countries [8 marks]
- Q3. (a) Capital as a factor of production is considered as a limitation to those considering getting into business ownership. Discuss factors influencing capital formation and show how this limitation can be overcome. [10 marks]
- (b) Discuss the economic and resource based theory of entrepreneurship [10 marks]
- Q4. Discuss the economic characteristics of poverty and unemployment and the role of entrepreneurship in the alleviation of both poverty and unemployment in your country. [20 marks]