

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**THIRD YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
SCIENCE IN TOURISM MANAGEMENT**

BTHM 261: ECONOMIC DEVELOPMENT CONCEPTS AND APPLICATIONS

STREAMS: BTHM Y2S1

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 4/12/2019

2.30 P.M – 4.30 P.M

INSTRUCTIONS

Answer all questions in section A and any other two in section B

SECTION A (30MARKS)

- (i) Define the following terms;
 - (a) Economic planning [2 marks]
 - (b) Dualistic economy [2 marks]
 - (c) Economic development [2 marks]
- (ii) Capital accumulation depends upon two factors. Explain [4 marks]
- (iii) With relevant examples discuss the true nature of Kenyan economy. [10 marks]
- (iv) Rostows theory of economic development is based on certain stages. Explain the five stages of economic development. [10 marks]

SECTION B

QUESTION TWO

- (i) Explain the Karl max five stages of economic development. [10 marks]
- (ii) Discuss ‘Critics of the classical model’. [10 marks]

QUESTION THREE

- (i) Discuss five reasons why countries whose economy is reliant on agriculture have been found to have low economic development pace as compared to countries whose economy is based on their sectors. [10 marks]
- (ii) “through there are several criteria of principles to measure economic development, yet none provides a satisfactory and universally accepted index of economic development” Explain five reasons to support the above statement. [10 marks]

QUESTION FOUR

- (i) Explain three factors that support the ability of capital formation in economic development. [6 marks]
 - (ii) The economic development of a country depends more than anything else on the quality of its people. Explain this statement giving four examples. [8 marks]
 - (iii) Explain three significance of capital formation in economic development. [6 marks]
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