

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS
CHUKA/THARAKA**

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

BEEM 332: ENTREPRENEURSHIP AND ECONOMIC DEVELOPMENT

STREAMS: BEEM/BCOM Y3S1 Y4S1

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 4/12/2019

8.30 A.M – 10.30 A.M

INSTRUCTIONS

Answer question one and any other two questions

1. (a) Discuss the role of an entrepreneur as a factor of production and show how entrepreneurship can be used to increase productivity. [10 marks]
(b) Most developing countries are characterized by low levels of investment and low productivity. Explain the causes of these characteristics among these countries.[10 marks]
(c) Discuss the Schumpeterian concept and contrast with that of David Ricardo regarding what contributes to economic development. [10 marks]
2. (a) Discuss the relationship between economic development and the level of entrepreneurship in your country. The discussion should include an illustration of how the relationship between the two concepts can be enhanced. [15 marks]
(b) Human capital is critical to business performance in any economy, Discuss the role of human capital in enhancing business performance. [5 marks]
3. (a) Entrepreneurship and economic growth take place when the economic conditions are favorable. In reference to the economic theory of entrepreneurship discuss this statement. [10 marks]
(b) Discuss the concept of the vicious cycle of poverty and the possible interventions in breaking the cycle. [10 marks]

4. Discuss how economic growth of a country can be improved to meet the needs of a growing population given the fact that factors of production are scarce. [20 marks]
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