CHUKA



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FOURTH YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF ECONOMICS AND STATISTICS AND ECONOMICS OF MATHEMATICS

ECON 421: ECONOMICS DEMOGRAPHY

STREAMS: TIME: 2 HOURS

DAY/DATE: TUESDAY 10/04/2018 11.30 A.M - 1.30 P.M

INSTRUCTION:

- Answer question one and any other two
- Do not write anything on the question paper
- 1. (a) The work of Thomas Malthus, William Petty and William Godwin was concerned about the economic effects of population growth. Discuss their long tradition research on population and economics. [10marks]
 - (b) In contrast to the long standing interest in the economic consequences of demographic change, there has been a more applicability of economic models to the kinds of social behavior from individual behavior to the present aspects of human behavior ranging from consumer behavior to health seeking and criminal behaviors. Discuss this statement.

[10marks]

- (c) Every aspect of research on demography and economic perspectives is supported by theoretical framework. Discuss the theory of intergenerational transfers. [10marks]
- 2. (a) There is a strong relation between respective roles of the family and the public sector. Why does the balance between families and governments seem to be so different in low-income countries than in the industrialized countries of the west. [10marks]
 - (b) Generational accounts are used to evaluate current public policy from a generational perspective by comparing the net lifetime tax rate paid by different people in an economy. Discuss the generational accounts theory. [10marks]

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(a) Discuss the social security reform ranging from factors that are directly to 3. intergenerational transfers. [10marks] (b) Economic demography encompasses the study of statistical data relating to a defined population or group that is collected and analyzed. Explain the significance of this study in relations to economic growth and development. [10marks] 4. (i) Distinguish between the following terms as used in economic demography. (a) Population dynamic and population structure. [2marks] (b) Pretem birth rate and crude birth rate. [2marks] (c) Demographic dividend and demographic structure. [3marks] (ii) Economic models and theories are the day to day economic structures and policy

making tools. Discuss the theory of familial model of intergenerational transfers.

[13marks]