

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS**

**THIRD YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF SCIENCE IN ECONOMICS AND STATISTICS, B.A, ECON SOCI, BA ECON, MATH AND B.A ECON HISTORY**

**ECON 302: ECONOMIC DEVELOPMENT I**

**STREAMS: ECON & STAT, ECON SOCI, BA ECON MATH & BA ECON HIST Y3S1**

**TIME: 2 HOURS**

**DAY/DATE: FRIDAY 14/12/2018**

**11.30 A.M - 1.30 P.M.**

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**INSTRUCTIONS**

- **Answer Question ONE and any other TWO Questions.**
- **Do not write anything on the question paper**

**QUESTION ONE**

(a) Distinguish among the following terms as used in economic development:

- Poverty cycle and poverty index
- Economic growth and economic development
- Human development index and gender development index
- Gross national product and gross domestic product
- Measures of trade and terms of trade

[10 Marks]

(b) According to Todaro, development must be conceived, as a multi-dimensional process involving major changes in social structures. Discuss the major values of development.

[10 Marks]

(c) Discuss the contributions of the environment to the economic growth.

[10 Marks]

**QUESTION TWO**

(a) Adam Smith and Karl Max had diverse views about the nature of economic society and prosperity. Discuss their earliest views showing their comparisons and contradictions.

[10 Marks]

(b) The new international economic order (NIEO) is of importance to developing nations. Discuss the major issues of concern under the NIEO.

[10 Marks]

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**QUESTION THREE**

- (a) Discuss the existing principles of new international economic order. [10 Marks]
- (b) Theories have been used to explain how economic development has been enhanced year in, year out. Explain the Rostow's stages growth model. [10 Marks]

**QUESTION FOUR**

- (a) Discuss giving relevant examples, theory of coordination failure. [10 Marks]
- (b) Least developed countries undergo political, financial and economic turmoils. Discuss the major features of underdeveloped countries. [10 Marks]

**QUESTION FIVE**

- (a) Compare and contrast economic development and economic growth. [10 Marks]
  - (b) Discuss the curses and blessings that comes with endowment of resources in under developing countries that hinders or enhances their economic growth and development. [10 Marks]
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