



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2016/2017

**SECOND YEAR FIRST SEMESTER EXAMINATION FOR
DEGREE OF BACHELOR OF ARTS IN ECONOMICS WITH
INFORMATION TECHNOLOGY**

MAIN CAMPUS

AEC 203: HISTORY OF ECONOMIC THOUGHT I

Date: 30th November, 2016

Time: 8.30 - 11.30am

INSTRUCTIONS:

- Answer Question ONE (Compulsory) and any other TWO.



Question 1.

- a) Adam Smith's Macro-economic concern for economic growth rested on the theory of value. Discuss. (10marks)
- b) Compare Jeremy Bentham utility principle of artificial identity of interest with Adam Smith's natural identity of interest. (10marks)
- c) Explain slave trade barter terms of trade policy and its effect on economic growth. (5marks)
- d) Explain the weaknesses of feudal economic system which led to the birth of mercantilism (5marks)

Question 2.

- a) Francois Quesnay was the architect of physiocracy. Explain physiocracy with the help of Quesnay's model. (10marks)
- b) Discuss the Doctrinal and Historical process of mercantilism. (10marks)

Question 3.

Discuss the contribution of Richard Cantillon and Sir William Petty on the History of economic thought. (20marks)

Question 4

Laissez- Faire economic policy opened the eye of the people in Great Britain. Explain the advantages and constraints to this economic policy in acceleration of economic growth. (20marks)

Question 5

Discuss Utopian socialism as given by Robert Owen (20marks)

220 sheets