



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2017/2018

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

MAIN AND CITY CAMPUS

AEC 403: DEVELOPMENT ECONOMICS

Date: 21st February, 2018

Time: 9.30 - 6.30pm

INSTRUCTIONS:

- Answer Question ONE and any other THREE



Question One.

a) Discuss the relevance of the Lewis Model of Growth and Development in examining the process of structural transformation in the Less Developed Countries (LDCs) (15 Marks)

b) Evaluate the criticisms and limitations of the model (10 Marks)

[Total 25 Marks]

Question Two.

a) Outline the Rostow Stages Theory of Economic Development. (10 Marks)

b) Discuss the criticisms of linear models of Economic Development (5Marks)

[Total 15 Marks]

Question Three.

- a) Explain the process of agricultural transformation in the process of Economic development. (10 Marks)
 - b) Outline the contribution of agriculture in the process of Economic Development (5 Marks)
- [Total 15 Marks]**

Question Four.

State and discuss the common characteristics of the Less Developed Countries (LDCs) **[Total 15 Marks]**

Question Five. ✕

- a) State the core values of Economic Development. (5 Marks)
 - b) Comment on the usefulness of Gross Domestic Product (GDP) as a measure of economic well-being of a country. (10 Marks)
- [Total 15 Marks]**

Question Six ✕

- a) Using an appropriate diagram, explain the Kuznets Inverted 'U' curve. (5 Marks)
- b) Discuss how income distribution changes in the process of Economic Development (10 Marks)

[Total 15 Marks]