



# MACHAKOS UNIVERSITY COLLEGE

(A Constituent College of Kenyatta University)

University Examinations 2015/2016

SCHOOL OF EDUCATION

DEPARTMENT OF EDUCATIONAL ADMINISTRATION AND PLANNING

THIRD SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF  
EDUCATION

EMP 403: ECONOMICS OF EDUCATION AND EDUCATIONAL PLANNING

Date:

Time:

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## INSTRUCTIONS

*This paper consists of FIVE questions*

*Answer question ONE and other TWO questions in this paper*

## QUESTION ONE

- a) Distinguish between the following set of concepts and provide two example of each:
- direct and indirect costs of education (4 marks)
  - Consumption and investment (4 marks)
  - Private returns and social returns (4 marks)
- b) Identify the methods used to financing the provision of education in Kenya. (2 marks)
- c) Discuss the role of education in facilitating economic growth. (4 marks)
- d) Education can be viewed as an industry. Briefly discuss the characteristics of education as an industry (6 marks)
- e) Economists view human capital as a special form of capital. Briefly discuss the differences between human capital and physical capital. (6 marks)

## QUESTION TWO

- a) Briefly discuss five determinants of the supply of education. (5 marks)

- b) In the case there is an oversupply of university education, discuss the actions that could be undertaken to correct the situation. (10 marks)
- c) Some economists offer the screening hypothesis on the role of education. Briefly outline this hypothesis (5 marks)

### **QUESTION THREE**

- a) Cost benefit analysis is one of the approaches used to study the contribution of education to economic growth.
- i. Briefly provide an outline of the approach (6 marks)
  - ii. Identify two major findings of cost benefits analysis of education in developing countries and their policy implications. (4 marks)
  - iii. Various criticisms have been made against the cost benefit analysis method. Discuss these criticisms. (5 marks)
- b) i) What is meant by wastage in education provision? (2 marks)
- ii) Identify three forms of wastage in education. (3 marks)

### **QUESTION FOUR**

- a) Using appropriate examples, distinguish between equity and equality with respect to education (4 marks)
- b) Identify and discuss four causes of inequality in the provision of education in Kenya? (8 marks)
- c) Briefly discuss four policies that can be used to prevent an over supply of teachers. (8 marks)

### **QUESTION FIVE**

- a) Various methodologies are used in educational planning in developing countries. One of these being the social demand approach.
- i. Briefly outline the social demand approach to educational planning. (5 marks)
  - ii. Discuss the criticisms made against the man power approach to educational planning. (5 marks)
- b) Using a relevant problem in the provision of education, outline the rational planning process. (10 marks)