



KENYATTA UNIVERSITY

CONTINUING EDUCATION PROGRAMME (CEP) 2022/2023

EXAMINATION FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

EMP 919: COST-BENEFIT ANALYSIS IN EDUCATION

APRIL, 2023 SESSION:

TIME: 3 HOURS

INSTRUCTIONS: Answer question One and any other Two.

1. a) Critically discuss FIVE costs which should be considered if the purpose of cost-Benefit analysis is to evaluate education as a form of social investment.
(10 marks)
- b) Using relevant illustrations, discuss FIVE reasons why measurement of a discount cash flow is comparatively more useful in measuring the benefits from education than the use of cross section data to estimate the age- education- earnings profiles for workers.
(10 marks)
2. Discuss FIVE reasons why it is important to calculate rate of return on investment in Education.
(15 marks)
3. Using relevant illustrations, demonstrate why the effect of unemployment on rates return should be considered in cost-benefit analysis in education.
(15 marks)
4. Examine FIVE reasons why education economists are against the use of earnings differentials as a good measure of benefits from education.
(15 marks)
5. Using relevant illustrations, discuss FIVE reasons why some economists dispute that relative earnings do not reflect the relative productivity of workers as assumed in all cost-benefit analysis.
(15 marks]