KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2017/2018

FIRST SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF ECONOMICS (COOPERATION AND HUMAN DEVELOPMENT)

EAE 840: INTERNATIONAL ECONOMICS FOR DEVELOPMENT AND COOPERATION

DATE: FRIDAY 9TH FEBRUARY 2018 **TIME: 9.00 A.M. – 12.00 P.M.**

INSTRUCTIONS
Attempt ALL the Four question

Question One

a) Population changes is one of the most fundamental phenomena in the process of development. Describe the major features of a demographic transition with precise indication of the different stages (10 marks)

b) In which phase of the demographic transition do you think Africa is and why? (5 marks)

Question Two

a) Describe the most significant trends in the so called extreme poverty since 2000. Which economies have managed to achieve the MDG concerning poverty reduction by 2015? Has the goal been achieved at the world? What is the new level of the poverty line included in the Sustainable Development Goals and what is the goal of SDGS? (10 marks)

b) What has been the trend of poverty reduction in Sub-Saharan Africa? (5 marks)

Question Three

a) Trade is generally recognized as an engine for economic growth. Explain why export diversification is essential in this process, especially in primary commodities dependent countries. (10 marks)

b) In view of the above, give a brief description of the main shortcomings of African development in terms of export structure of some countries and suggest a proper policy towards “beneficial” trade. (5 marks)

Question Four

a) Give a brief description of main international financial flows towards developing countries and their possible impact on development 10 marks)

b) Focusing on FDI explain how they could contribute to economic growth, in particular in the case of Kenya. Give an overview of the use of remittances in Kenya and explain the potentialities with respect to development in terms of figures, sectors involved and incentives applied. (5 marks)