KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2011/2012

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF SCIENCE (AGRIBUSINESS MANAGEMENT AND TRADE)

KBT 411: AGRIBUSINESS AND ECONOMIC DEVELOPMENT

DATE: TUESDAY 27TH MARCH 2012 **TIME: 11.00 A.M. – 1.00 P.M.**

INSTRUCTIONS

Answer Question 1 and any other 2 questions

1. a) Explain the key differences between economic growth and economic development. (5 marks)

   b) Discuss various ways in which poverty in the society can be measured. (5 marks)

   c) Critically evaluate the consequences of high population growth rate in development. (5 marks)

   d) Briefly discuss the critiques of the Marxian theory. (5 marks)

   e) Compare and contrast the Big Push theory and Kremer's O-Ring theory. (5 marks)

   f) Derive Harold-Domar (H-D) model and explain the main variables involved. (5 marks)

   g) Discuss income inequality in Kenya in the light of the O-Ring theory. (5 marks)

   h) Discuss the main features of Basic Needs Strategy. (5 marks)

2. a) Discuss briefly macro development strategies. (5 marks)

b) Critically examine the relevance of the Harold-Domar model (H-D) in Kenya's economy today. (10 marks)

3. a) Briefly describe negative impacts of globalization in the Less Developed Economies. (5 marks)

b) Kenya seeks to industrialize by the year 2030 as highlighted in the vision development strategy. Discuss the main challenges you anticipate the government of Kenya will have a contend with. (10 marks)

4. a) Using an appropriate example, describe vicious circle of poverty. (5 marks)

b) "If less developed countries have to develop, the surplus labor in rural areas should be moved to urban centers." Using an illustration discuss this statement by highlighting the main arguments of Lewis model. (10 marks)