



**MASENO UNIVERSITY**  
**UNIVERSITY EXAMINATIONS 2016/2017**

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

**MAIN & CITY CAMPUSES**

**AEC 403: DEVELOPMENT ECONOMICS**

Date: 6<sup>th</sup> December, 2016

Time: 3.30 - 6.30pm

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**INSTRUCTIONS:**

- Answer Question ONE and any other TWO



**Question One.**

- a) Evaluate the relevance of the Lewis Model of Growth and Development in examining the process of Structural Transformation in the Less Developed Countries (LDCs) **(20 Marks)**
- b) Discuss the criticisms that have been advanced about the Model's assumptions **(10 Marks)**

**[Total 30 marks]**

**Question Two.**

- a) Describe the process of agricultural transformation from subsistence farming to modern high productivity commercial farming **(10 Marks)**
- b) Explain the contribution of agriculture in the process of Economic Development **(10 Marks)**

**[ Total 20 Marks]**

**Question Three.**

- a) Outline and explain The Rostow's Stages Model of Growth and Development. **(10 Marks)**
- b) Discuss the criticisms of the Stages theory of Development. **(10 Marks)**

**[Total 20 Marks]**

**Question Four.**

- a) Using an appropriate diagram, explain The Kuznets Hypothesis of Income Distribution and Economic Development (10 Marks)
- b) Give appropriate examples to discuss the notion that income distribution must always worsen before improving during the process of Economic Development (10 Marks)

**[Total 20 Marks]**

**Question Five.**

- a) State and explain the core values of development. (5 Marks)
- b) Discuss the common characteristics of LDCs (15 Marks)

**[Total 20 Marks]**