

**W1/ZU/7/EXM/6**

**UNIVERSITY EXAMINATION 2015/2016**

**EXAMINATION FOR THE BACHELOR IN PURCHASING & SUPPLIES MANAGEMENT**

**BPS 1110: DEVELOPMENT ECONOMICS**

**DATE: DECEMBER 2016 TIME: 2 Hours**

**INSTRUCTIONS: Answer question ONE [Compulsory] and any other TWO questions.**

**QUESTION ONE**

1. Distinguish between the following terms
2. Economic growth and Economic development (3 marks)
3. Structural unemployment and frictional unemployment (3 marks)
4. Discuss eight main features that distinguish developing countries from developed countries. (8 marks)
5. Discuss four Sustainable Development goals (8 marks)
6. Outline four measures employed to address economic inequality in developing countries (8 marks)

**QUESTION TWO**

1. Discuss five limitations of huge-foreign debts to developing countries (10 marks)
2. Outline any five challenges facing foreign private investment in Kenya and suggest their respective solutions (10 marks)

**QUESTION THREE**

1. Rapid industrialization has been suggested as a solution to the problems facing developing countries. Discuss this statement in the light of mass poverty still experienced in the developing countries to this day. (14 marks)
2. Highlight five ways in which developing countries can reduce the high rate of population (6 marks)

**QUESTION FOUR**

1. ‘Poverty and unemployment are two of the critical social and economic problems facing most developing countries’. Discuss their causes and policies you would suggest to reduce poverty and unemployment (14 marks)
2. Discuss six barriers to economic development giving relevant examples from developing countries (6marks)