

# UNIVERSITY OF KABIANGA

## School of Business & Economics

DEPARTMENT: Finance & Accounting (Main Campus)

ECO 317: ECONOMIC DEVELOPMENT II (Main Exam)

3<sup>rd</sup> Year, 2<sup>nd</sup> Semester ACADEMIC YEAR- 2015/2016

Duration: 3 Hours

Instructions: Answer Questions One and Any Other Three Questions

### Question One

- (a) Provide an assessment on redistribution strategy for growth with equity (7 mark)
- (b) Explain how cost-benefit analysis model help development planners. (5 marks)
- (c) Give a critical view on the essence of allowing politicians participate in the development planning process. (7marks)
- (d) Give a brief account on the historical development of planning. (6 marks)

### Question Two

- (a) Disguised unemployment is a very important potential resource in a majorly agriculture-based economy like Kenya. Explain how such an economy can utilize the resource as a strategy for development of rural economy. (7 marks)
- (b) Discuss any two investment criteria applicable to a less developed country. (8 marks)

### Question Three

- (a) Foreign economic resources are critical to economic development of less developed countries. Give a critical view of the role of foreign resources in development process of a country like Kenya. (11 marks)
- (b) Distinguish between capital budget and operating budget. (4 marks)

### Question Four

- (a) Briefly explain the constituent elements of a development plan in the general methodology of planning. (9 marks)
- (b) Evaluate the statement that human resource development has a bearing on economic development of a country. (6 marks)

### Question Five

- (a) Give a brief explanation on how the input-output analysis planning tool works. (9 marks)
- (b) Asses the role which cooperative movement play as a development strategy. (6 marks)