



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
2020/2021 ACADEMIC YEAR
SECOND YEAR SECOND SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS
BSC. IN ECONOMICS AND STATISTICS, BSC.
FINANCIAL ECONOMICS AND BSC. IN ECONOMICS**

COURSE CODE: ECO 2207

COURSE TITLE: HISTORY OF ECONOMIC THOUGHT II

DATE: 14TH OCTOBER, 2021

TIME: 1430 – 1630HRS

INSTRUCTIONS TO CANDIDATES

Answer Question **ONE** and any other **THREE** questions

QUESTION ONE

a) Discuss the systematic unfolding of macroeconomic ideas by different theorists in various epochs.

i). Classical school of economic thought **(5 marks)**

ii) Keynesian revolution school of economic thought **(5 marks)**

iii) Post Keynesian development **(10 marks)**

b) Explain five key factors which contributes to the growing complexities of modern economic systems **(5 marks)**

QUESTION TWO

a) What is the central theme of the new classical macroeconomics? **(5 marks)**

b) How do Keynesian and monetarist arguments differ on what determines the aggregate demand? **(10 marks)**

QUESTION THREE

a) Discuss the postulates of supply side economics. **(5 marks)**

b) Is supply side economics theory or policy oriented? explain your answer in regard to

i) Tax cut and aggregate supply **(5 marks)**

ii) Tax cut and output growth **(5 marks)**

QUESTION FOUR

a) What is barter system? How does money solve the problem of the barter system? **(6marks)**

b) Explain how money accelerates the pace of production and contributes to the efficiency of an economic system. **(9 marks)**

QUESTION FIVE

Discuss the following in the context of the systematic unfolding of economic thoughts

i. Objectives of pre – colonialism. **(5 marks)**

ii. Slave trade **(5 marks)**

iii. Communication porters **(5 marks)**

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