



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
2022/2023 ACADEMIC YEAR
THIRD YEAR SECOND SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS
BACHELOR OF SCIENCE IN ECONOMICS**

COURSE CODE: ECO 2204-1

COURSE TITLE: DEMOGRAPHIC ECONOMICS

DATE: 19/4/2023

TIME: 1100-1300 HRS

INSTRUCTIONS TO CANDIDATES

ANSWER ONE AND ANY OTHER TWO QUESTIONS

QUESTION ONE

- (a) Discuss the optimum theory of population. **(7 Marks)**
- (b). Explain the relationship between the age structures of a population and its dependency burden. **(5 Marks)**
- (c). Explain the relationship between a Lorenz curve and Gini coefficient **(4 Marks)**
- (d) Discuss the concept of optimal amount of inequality **(4 Marks)**

QUESTION TWO

- a)i) Describe the classical flexible wages model of employment determination. **(5 marks)**
- ii).What way can this model be said there never be unemployment? **(4 marks)**
- (b) i)Discuss the Coale-Hoover thesis about adverse effects of population growth on savings and capital formation. **(3 marks)**
- ii).O what grounds should this thesis be rejected? **(3 marks)**

QUESTION THREE

- (a). i Explain the Malthusian theory of population trap. **(8 marks)**
- ii. Is this theory applicable to Kenyan population? **(3 marks)**
- (b). Explain why many economists blame minimum wage law for much of employment problems of youth. **(4 marks)**

QUESTION FOUR

- (a). Explain economic and social policies the governments of developing and developed countries and international assistance agencies might consider to bring about a reduction in overall rates of world population growth. **(6marks)**
- (b). Explain the following concepts as used in demographic economics **(6marks)**
- Crude death rate
 - Replacement fertility
 - Infant mortality rate
 - Doubling time
 - Population time
 - Overlapping generation models
- (c). Discuss conditions necessary for economic growth to translate into improvements in the quality of life. **(3 marks)**

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