MAASAI MARA UNIVERSITY

REGULAR UNIVERSITY EXAMINATIONS
2018/2019 ACADEMIC YEAR
SECOND YEAR SECOND SEMESTER

SCHOOL OF BUSINESS & ECONOMICS
BACHELOR OF SCIENCE IN AGRICULTURAL ECONOMICS AND RESOURCE MANAGEMENT

COURSE CODE: ECO 2107
COURSE TITLE: HISTORY OF ECONOMIC
INSTRUCTIONS TO CANDIDATES

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

This paper consists of 2 printed pages. Please turn over.

**QUESTION ONE**

(a) Adam Smith argues that laissez-faire, invisible hand of markets and theory of value are a critical component in a nation’s wealth creation. Discuss.  
(6mks)

(b) Compare and contrast classical and neoclassical economic thoughts.  
(15mks)

(c) Discuss the contributions of the ancient Greek to development of economic thought.  
(4mks)

**QUESTION TWO**

(a) Explain David Ricardo’s contribution to theory of rent.  
(5 mks)

(b) Discuss the contributions of the mercantilists to economic theory.  
(10mks)

**QUESTION THREE**

(a) Alfred Marshall favored partial equilibrium over general equilibrium analysis. Discuss his key contributions to economic analysis.  
(8mks)

(b) Discuss John Stuart Mill’s economic ideas on production and distribution.  
(7mks)
QUESTION FOUR

Compare and contrast the ideas of the three economists who are credited with initiating the marginal revolution in economics.

(15 mks)

QUESTION FIVE

(a) Differentiate between preventive and positive checks as explained by Robert Malthus in his theory of Population.

(6mks)

(b) Discuss Say’s law of markets.

(5mks)

(c) Explain the main economic thought of physiocracy.

(5mks)

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