



# 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**

# THOUGHT I

DATE: 23<sup>RD</sup> APRIL, 2019  
1030HRS

TIME: 0830 -

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## 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 nations 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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