



# **MAASAI MARA UNIVERSITY**

**REGULAR UNIVERSITY EXAMINATIONS  
2020/2021 ACADEMIC AFFAIRS  
FIRST YEAR, FIRST SEMESTER**

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

**COURSE CODE: ECO 1106-1  
COURSE TITLE: KENYA'S ECONOMY SINCE  
INDEPENDENCE**

**DATE: 5/2/2024**

**TIME: 1100-1300 HRS**

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**INSTRUCTIONS:**

- Attempt Question One **AND** Any Other **Two** Questions: Clear Examples,
- Do Not Write On The Exam Question Paper.

### QUESTION 1

- a) "The share of the agricultural sector of GDP has remained fairly constant over the past ten years with a low of 18% in 2012 and a high of 21% in 2022 (O'Neill, 2023).
- i. Suggest possible reasons for the stagnation in proportion of agricultural sector in GDP.  
**(8 Marks)**
  - ii. With respect to Question 1(i) above, highlight some the agricultural policy growth drivers.  
**(5 marks)**
- b) Current government's high appetite for loan has necessitated public debt to grow spectacularly at alarming rate against sluggish GDP growth rate.
- (i) Discuss the impact of debt burden to the economy  
**(3 marks)**
  - (ii) Outline major causes of high public debt  
**(2 marks)**
  - (iii) Explain policy measures that may be adopted to reduce debt burden  
**(2 marks)**

### QUESTION TWO

- a) The Kenyan economy has experienced varying economic performance since its independence in 1963. Though the economy has made considerable progress in the last decades since Independence, the challenges which faced the country's leadership in 1963 continue to be major challenges in the sixth decade of the country's post-independence period. Discuss.  
**(7 marks)**
- b) Upon attainment of independence, there was desire by African leaders to create a new society, different from colonial society, which embraced equity devoid of race, oppression and social injustice leading to birth of the historical article, **Sessional Paper NO. 10 of 1965**. Write short notes on any two of the following with respect to the article.
- i. African Socialism
  - ii. Political Democracy
  - iii. Mutual Social Responsibility
- (8 marks)**

### **QUESTION THREE**

a) The high rates of population growth in developing countries, Kenya inclusive during the postwar period has been of concern, and the focus of attention has been on the social and economic costs of the high levels of fertility, discuss;

(i) Some of the economic impacts of high population growth rates.

**(5 marks)**

(ii) Explain the measures and strategies that the government may adopt to reverse population growth rate trend.

**(6 marks)**

b) State the difference, with appropriate examples, between economic growth and economic development

**(4 marks)**

### **QUESTION FOUR**

Kenya's economic growth rate was 3% in the year 2013 and 5% in 2014. The welfare of the citizens was therefore better in the year 2014 than in the year 2013. Critique this statement citing why you agree/ disagree with it

**(5 marks)**

Kenya Vision 2030, a long-term economic development for Kenya aimed at achieving an average economic growth rate of 10 per cent per annum and sustaining the same till 2030 in order to generate more resources to meet the Millennium Development Goals and vision goals, however the country has fallen short of the target rate over years, discuss some of the reasons the country have not achieved most of the target policy objectives.

**(6 marks)**

Discuss the role of public expenditure as a policy instrument for addressing inequalities and unemployment.

**(4 marks)**

**/END/**