KIBABII UNIVERSITY

UNIVERSITY EXAMINATIONS
2017/2018 ACADEMIC YEAR

FOURTH YEAR 1ST SEMESTER
SPECIAL/SUPPLEMENTARY EXAMINATIONS

FOR THE DEGREE OF BACHELOR OF SCIENCE IN AGRICULTURAL ECONOMICS & RESOURCE MANAGEMENT

COURSE CODE: IAE 488
COURSE TITLE: AGRICULTURAL ECONOMIC DEVELOPMENT

DATE: 4TH OCTOBER 2018   **TIME: 8 – 10 AM**

INSTRUCTIONS TO CANDIDATES

Answer Question ONE and any other two (2) Questions.

TIME: 2 Hours

This paper consists of 2 printed pages. Please Turn Over ▶

KIBU observes ZERO tolerance to examination cheating

SECTION A = 30 MARKS

Q1.

  a)   Explain the applicability of Ricardian Theory of development in a developing economy **(10 marks)**

  b)   Explain the benefits of protectionist measures applied by countries in international trade **(10 marks)**

  c)   Explain the negative effects of foreign aid given to a poor country

(10 marks)

SECTION B = 40 MARKS

Q2.

Discuss the Solow neoclassical growth model **(20 marks)**

Q3.

  a)   Discuss the significance of the theory of unbalanced growth in a developing country

(10 marks)

  b)   Discuss the obstacles to agricultural development in Kenya **(10 marks)**

Q4.

Case study 12: A pioneer in development success through trade: Taiwan

Reference: Todaro, M.P and Smith, S.C (2012). *Economic development*. 11th Edition. Pp 624-630. U.S.A

Required

Explain the factors which have led to the success of Taiwan economy **(20 marks)**