



*(Knowledge for Development)*

**KIBABII UNIVERSITY**  
**UNIVERSITY EXAMINATIONS**  
**2020/2021 ACADEMIC YEAR**  
**YEAR ONE SEMESTER TWO**  
**MAIN EXAMS**

**FOR THE DEGREE OF BACHELOR OF COMMERCE**

**COURSE CODE: IRD 103**

**COURSE TITLE: DEVELOPMENT CONCEPTS AND APPLICATION**

**DATE: 2<sup>ND</sup> AUGUST, 2021      TIME: 2.00PM-4.00PM**

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**INSTRUCTIONS TO CANDIDATES**

Answer Question One and any other TWO (2) Questions

TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

This Paper Consists of Printed Pages. Please Turn Over.

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### QUESTION ONE

- a) Highlight the characteristics of developing countries (4marks)
  - b) What are the limitations of economic theory (3marks)
  - c) From the 1970s African countries began to experience economic crisis. Highlight the four main form of this crisis (4marks)
  - d) What are the advantage of economic blocs (5marks)
  - e) Highlight the need for development planning (5marks)
  - f) Give the strategies to alleviate the debt crisis in developing countries (9marks)
- (Total 30 marks)**

### QUESTION TWO

- a) Highlight the factors affecting economic growth (8marks)
  - b) Explain the biases of the gross domestic product (6marks)
  - c) Enumerate reasons why we need economic theory (6marks)
- (Total 20marks)**

### QUESTION THREE

- a) Discuss Adams Smith theory of development (10marks)
  - b) What are drawbacks of central planning (10marks)
- (Total 20marks)**

### QUESTION FOUR

- a) Discuss the role of multinational enterprises or corporation(MNCs) to the economic development in Kenya (10marks)
  - b) Why is foreign aid not effective in developing countries (10marks)
- (Total 20marks)**

### QUESTION FIVE

- a) Explain the following level of development planning (3marks)
    - i. Macro level planning (4marks)
    - ii. Secondary level planning (3marks)
    - iii. Tertiary level planning (10marks)
  - b) Discuss the attributes of a good plan (10marks)
- (Total 20marks)**