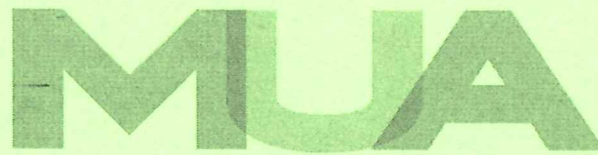


The
Management
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UNDERGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF BACHELOR OF MANAGEMENT AND LEADERSHIP

BMT 302 : ECONOMIC DEVELOPMENT

DATE: 9TH AUGUST 2024

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

UNLOCKING ECONOMIC POTENTIAL IN AFRICA

Africa, a continent rich in resources and cultural diversity, has long been the focus of discussions on economic development. The region has faced numerous challenges, including political instability, inadequate infrastructure, and limited access to education and healthcare. However, in recent years, there has been a growing interest in unlocking Africa's economic potential.

Africa boasts abundant natural resources, including minerals, oil, and fertile land. However, the challenge lies in harnessing these resources sustainably. Many African countries have faced issues such as resource mismanagement, environmental degradation, and over-dependence on a single commodity.

Inadequate infrastructure, including transportation, energy, and communication systems, has impeded economic growth in Africa. The study delves into successful examples of infrastructure development projects, examining the impact on local economies and the broader business environment. It also explores the role of public-private partnerships and international collaboration in addressing infrastructure gaps and fostering economic development.

Political stability and good governance are fundamental to creating an environment conducive to economic development. The study analyzes instances of political stability fostering economic growth and contrasts them with cases where political instability has hindered progress. It also explores the role of transparent governance, effective institutions, and anti-corruption measures in attracting investments and promoting economic development.

As Africa strives for economic development, addressing these key factors is essential. Successful models and initiatives provide valuable lessons, emphasizing the importance of a comprehensive and sustainable approach. However, challenges persist, requiring continuous efforts from governments, international organizations, and the private sector.

Required:

- a) Explain five strategies that African nations can adopt in order to balance the exploitation of natural resources for economic development (10 Marks)
- b) Describe five roles that public-private partnerships play in addressing infrastructure gaps (10 Marks)
- c) Discuss five ways that public-private partnerships collaborations can be leveraged effectively to accelerate economic development in Africa (5 Marks)

QUESTION TWO

- a) Examine five advantages of assessing economic development (10 Marks)
- b) Propose five determinants that play a role in shaping economic development (5 Marks)

QUESTION THREE

- a) Analyze five ways in which business operations are influenced by trade regulations (10 Marks)
- b) Assess five disadvantages of economies of scale (5 Marks)

QUESTION FOUR

- a) Explain five approaches that Kenya can employ to navigate and resolve its financial distress (10 Marks)
- b) Expound on five benefits associated with using GDP as an indicator of economic development (5 Marks)

QUESTION FIVE

- a) Elaborate five factors that supports the increase of population (10 Marks)
- b) Examine five advantages of International Monetary Fund (IMF) as an international financial institution. (5 Marks)

QUESTION SIX

- a) Describe five monetary policy tools as outlined by central bank (10 Marks)
- b) Evaluate five key advancements made in the education sector in Kenya (5 Marks)

