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**UNDERGRADUATE UNIVERSITY EXAMINATIONS**  
**SCHOOL OF MANAGEMENT AND LEADERSHIP**  
**DEGREE OF BACHELOR OF ARTS IN DEVELOPMENT STUDIES**

**SWK 402: POVERTY, INEQUALITY AND SOCIAL POLICY**

**DATE: 14<sup>TH</sup> APRIL 2026**

**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:

### **THE LIVED REALITIES OF MJI MPYA: MULTIDIMENSIONAL POVERTY AND SOCIAL MARGINALIZATION**

Mji Mpya is a large, unplanned settlement on the outskirts of a rapidly urbanizing capital city. Despite its location near industrial zones and commercial centers, the community exists as an island of deprivation, where the daily struggles of its 150,000 residents provide a powerful illustration of how poverty extends far beyond income alone.

The economic landscape of Mji Mpya is dominated by informality and precarity. Over 70% of working-age residents engage in daily-wage labor – as street vendors, motorcycle taxi drivers, waste collectors, or domestic workers in the formal city. While technically employed, their earnings are unstable and insufficient. Most households survive on less than \$2 per day, placing them below national and international absolute poverty lines. However, the experience of poverty in Mji Mpya is profoundly shaped by relative deprivation. Residents can see the gleaming high-rises of the city center and witness the consumption patterns of the urban middle class through television and social media, yet they are systematically excluded from participating in that economic and social life. A father may earn enough for basic sustenance but cannot afford school uniforms or examination fees for his children, marking his family as different and excluded. A young person may dream of further education or formal employment but faces insurmountable barriers of cost, networks, and stigma.

The concept of social exclusion is central to understanding life in Mji Mpya. This exclusion operates through multiple, interlocking systems. Physical exclusion is evident in the settlement's geography: unpaved roads become impassable in the rainy season, public transportation is irregular and expensive, and the community is effectively cut off from the city's economic hubs. Institutional exclusion is pervasive: residents lack formal land titles, making their homes perpetually insecure. Many are not registered in national identity systems, rendering them invisible to the state and ineligible for social programs. Banking services are absent, forcing reliance on

exploitative informal lenders. Perhaps most profound is the exclusion from political voice and civic participation. Community grievances about sanitation, water, or policing are routinely ignored by municipal authorities. Residents describe a palpable sense of being "unseen" and "unheard" by the systems that govern their lives. This powerlessness reinforces their marginal status, creating a cycle where exclusion causes poverty and poverty deepens exclusion.

The dimensions of poverty in Mji Mpya are starkly multidimensional, affecting every aspect of human security and capability. Resources are scarce: housing is makeshift and overcrowded, clean water must be purchased at high cost from private vendors, and electricity is pirated and dangerous. Opportunities and Choice are severely constrained: educational facilities are overcrowded and understaffed, leading to high dropout rates, especially for girls. The lack of affordable childcare traps women in low-productivity home-based work. Power and Voice are minimal: there is no formal representation in city planning, and local Community-Based Organizations (CBOs), though active, lack the political leverage to effect change. Human Security is under constant threat: crime rates are high, police presence is seen as predatory rather than protective, and environmental hazards from flooding and poor sanitation pose daily health risks.

These vulnerabilities are not evenly distributed. Gender inequality intensifies the experience of poverty. Women, particularly single mothers, bear the triple burden of income generation, unpaid domestic labor (made more arduous by the lack of utilities), and childcare. They face significant barriers to property ownership, formal credit, and are often subjected to discriminatory social norms. Youth represent both the settlement's greatest potential and its most acute crisis. With unemployment rates exceeding 60% for those aged 18-30, idleness and frustration are widespread. Many articulate a deep sense of having no future, a feeling that their aspirations are permanently disconnected from their reality.

Despite this challenging context, there have been intervention efforts. The national government, in partnership with an international donor, launched the Mji Mpya Conditional Cash Transfer (CCT) Program five years ago. It provides small monthly payments to households with children under five, contingent on regular health clinic

visits. While praised for improving some child health indicators, its coverage is limited (reaching only 30% of eligible families), and it does nothing to address the structural causes of poverty. A local NGO also runs a Youth Skills and Entrepreneurship Project, offering short courses in tailoring, carpentry, and mobile phone repair. However, graduates struggle to access start-up capital or formal market linkages, and many end up back in informal daily labor. These programs, though well-intentioned, operate at the margins, unable to shift the foundational dynamics of exclusion and inequality that define life in Mji Mpya.

The settlement, therefore, stands as a critical case study in the complex interplay between absolute material lack and the relative social and political processes that define poverty in the 21st century. It challenges policymakers to move beyond narrow, income-based definitions and grapple with poverty as a systemic condition of disempowerment, restricted capabilities, and denied citizenship. The residents of Mji Mpya are not merely poor in monetary terms; they are excluded from the networks, opportunities, and decision-making processes that would enable them to change their circumstances. Any effective policy response must therefore confront both the symptoms and the structures of their deprivation.

**Required:**

- a) Using the concepts of relative poverty and social exclusion, analyse the lived realities of Mji Mpya residents. **(10 marks)**
- b) Propose and justify two evidence-based policy interventions that could address the multidimensional poverty experienced in Mji Mpya. Your answer should draw from social protection and empowerment frameworks. **(10 marks)**
- c) Define social exclusion and provide one specific example from the case study that illustrates this concept. **(5 marks)**

**QUESTION TWO**

- a) Differentiate between absolute poverty and relative poverty, providing two distinguishing features for each. **(5 marks)**
- b) Explain two reasons why relative poverty is considered a more relevant concept in developed economies, while absolute poverty remains widely used in developing contexts. **(5 marks)**
- c) Discuss two limitations of using income-based poverty lines and suggest one alternative multidimensional measure of poverty. **(5 marks)**

### QUESTION THREE

- a) Compare and contrast the Classical/Neoclassical and Marxian/Radical theories of poverty in terms of their key explanations for the causes of poverty. **(6 marks)**
- b) Evaluate the Keynesian/Neoliberal perspective on poverty, focusing on two roles of the state in poverty reduction. **(5 marks)**
- c) Which of the three theories do you find most convincing in explaining persistent poverty in resource-limited countries? Provide two justifications with reference to course content. **(4 marks)**

### QUESTION FOUR

- a) Outline the four dimensions of poverty, providing one specific example for each dimension from a low-resource setting. **(9 marks)**
- b) Briefly describe three poverty measurement tools beyond the poverty line and their policy relevance. **(6 marks)**

### QUESTION FIVE

- a) Discuss the role of three social protection programs in reducing poverty and inequality. **(6 marks)**
- b) Explain how participatory decision-making and better targeting of social programs can enhance the effectiveness of poverty alleviation efforts. **(5 marks)**
- c) Assess two challenges faced by governments in implementing pro-poor fiscal policies in resource-limited countries. **(4 marks)**

### QUESTION SIX

- a) Define income inequality and explain two ways it relates to economic development using the Kuznets hypothesis or other relevant frameworks. **(5 marks)**
- b) Discuss two ways in which inequality undermines poverty reduction efforts, with reference to social, economic, or political dimensions. **(6 marks)**
- c) Explain the concept of the “working poor” and two reasons why they remain vulnerable despite being employed. **(4 marks)**