



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY ORDINARY EXAMINATION

2017/2018 ACADEMIC YEAR

**FIRST YEAR SECOND SEMESTER EXAMINATION FOR
BACHELOR OF SCIENCE IN MATHEMATICS AND ECONOMICS**

BCH 103 – HISTORY OF ECONOMIC THOUGHT I

DURATION: 2 HOURS

DATE: 19TH APRIL, 2018

TIME: 2.00- 4.00 P.M.

Instructions to Candidates:

1. Answer **Question 1** and **Any Other Two** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION A – ANSWER ALL QUESTIONS IN THIS SECTION

QUESTION ONE

- a) Identify three attributes of the Marshallian summation. (5 marks)
- b) Drawing upon theory, highlight five reasons for government participation in business. (5 marks)
- c) Highlight three contributions of the physiocrats to economic theory. (5 marks)
- d) Identify three key features of marginalism. (5 marks)
- e) Discuss the classical theory. (10 marks)

SECTION B – ANSWER ANY TWO QUESTIONS IN THIS SECTION

QUESTION TWO

- a) Critique the Austria theory of capital and interest. (10 marks)
- b) Many theorists have written on the classical Political economy. Discuss the theory based on any one theorist. (10 marks)

QUESTION THREE

- a) Discuss three limitations of self-regulation in economics (10 marks)
- b) Assess the general equilibrium theory. (10 marks)

QUESTION FOUR

- a) Trace the roots of Laisses faire- economics. (10 marks)
- b) Discuss three key features of capitalism (10 marks)