



# **MACHAKOS UNIVERSITY**

**University Examinations for 2016/2017**

**SCHOOL OF BUSINESS AND ECONOMICS**

**DEPARTMENT OF ECONOMICS**

**FOURTH YEAR FIRST SEMESTER EXAMINATION FOR**

**BACHELOR OF ECONOMICS AND FINANCE**

**BACHELOR OF ECONOMICS**

**EAE 405: DEVELOPMENT PLANNING**

**DATE: 24/7/2017**

**TIME: 2:00 -4:00 PM**

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## **INSTRUCTIONS**

Answer Question **ONE** and any other **TWO** questions

### **QUESTION ONE (COMPULSORY)(30 MARKS)**

- a) Define and clearly explain the following:
  - i. Project development and appraisal
  - ii. Public and merit good
  - iii. Economic planning (6 marks)
- b) Critically evaluate the principal areas of concern for national planning process (8 marks)
- c) Identify and explain the fundamental stages involved in national planning process (8 marks)
- d) Explain the essence of public participation in the national planning process (8 marks)

### **QUESTION TWO (20 MARKS)**

- a) Discuss briefly the essence of budget policy functions of government with clear reference to national planning process (10 marks)
- b) Why is national planning both political and bureaucratic in nature? (10 marks)

### **QUESTION THREE (20 MARKS)**

- a) Explain clearly policy formulation process in relation to national planning. (10 marks)
- b) What is involved in project cycle analysis? Discuss briefly any four areas of investment appraisal. (10 marks)

**QUESTION FOUR (20 MARKS)**

- a) Explain the role of projects and programmes in economic development (10 marks)
- b) Discuss the rural development process in Kenya and illustrate the application of Constituency Development Fund (CDF) as a rural development strategy (10 marks)

**QUESTION FIVE (20 MARKS)**

- a) Clearly discuss any five conditions necessary for the realization of a successful planning process. (10 marks)
- b) What is the essence of devolution as a governance structure in Kenya with regard to planning process? (10 marks)