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**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2020/2021 ACADEMIC YEAR TWO**

**SECOND SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: ECO 214**

**COURSE TITLE: HISTORY OF ECONOMIC THOUGHT1**

**EXAMINATION DURATION: 2 HOURS**

**DATE: 08/04/2021 TIME: 09.00-11.00 AM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other TWO (2) questions from the remaining FOUR (4) questions**
* **Use sketch diagrams to illustrate your answer whenever necessary**
* **Do not carry mobile phones or any other written materials in examination room**
* **Do not write on this paper**

**This paper consists of TWO (2) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

1. Briefly discuss the works of Adam Smith. (6marks)
2. Explain the importance of studying Marxian economics. (6marks)
3. Outline the assumptions of J.S. Mill’s theory of reciprocal demand. (6marks)
4. Briefly discuss laissez-faire policy and its contribution to economics today (6marks)
5. Give an outline of invisible hand theory. (6marks)

**QUESTION TWO**

1. Explain the theory of value. (6marks)
2. Discuss the factors responsible for the rise of mercantilism. (14marks)

**QUESTION THREE**

1. Classical economics refers to work done by a group of economists in the eighteenth and nineteenth centuries. Explain this statement in relation to the classical school. (6marks)
2. Certain economic doctrines formed the foundation on which physiocracy was anchored. In view of this statement, explain the various physiocratic doctrines. (14marks)

**QUESTION FOUR**

1. Briefly explain the importance of studying Marxian economics. (6marks)
2. Discuss the important utopian socialists and their contribution to socialist thought. (14marks)

**QUESTION FIVE**

1. Give the meaning of utopian socialism (3marks)
2. Discuss two important utopian socialists and their contribution to socialist thought. (17marks)