



## **MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

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### **UNIVERSITY EXAMINATIONS 2024/2025**

#### **FOURTH YEAR, FIRST SEMESTER EXAMINATION FOR DEGREE OF BACHELOR SCIENCE IN ECONOMICS**

#### **BEC 3400: PUBLIC POLICY ECONOMICS**

**DATE: JANUARY 2025**

**TIME: 2 HOURS**

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**INSTRUCTIONS: Answer *Question ONE* and any other *TWO* Questions.**

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#### **QUESTION ONE – (30 MARKS)**

- a) Discuss six features of a good policy making process. (12 Marks)
- b) Explain the following terms as used in the study of public policy.
  - i) Public policy (3 Marks)
  - ii) Policy analysis (3 Marks)
  - iii) Policy outcomes (3 Marks)
- c) Explain how public policy evolved as a discipline of study. (9 Marks)

#### **QUESTION TWO – (20 MARKS)**

- a) Explain six reasons why public sector coexist with private sector in modern welfare state. (12 Marks)
- b) Discuss whether reliance on the market to resolve policy issues is inherently conservative or is it inherently progressive. (8 Marks)

**QUESTION THREE - (20 MARKS)**

- a) For a public policy to be rational, certain actions have to be undertaken. Explain four of such actions. (8 Marks)
- b) Discuss six (6) steps to policy formulation. (12 Marks)

**QUESTION FOUR - (20 MARKS)**

- a) Using a diagram, explain David Easton Model of system analysis. (10 Marks)
- b) Discuss five (5) major actors in public policy making process. (10 Marks)

**QUESTION FIVE – (20 MARKS)**

- a) Using examples, explain the following types of public policy.
  - i) Positive public policy (4 Marks)
  - ii) Distributive public policy (4 Marks)
  - iii) Constituent policy (4 Marks)
- b) Using the concept of Marginal Rate of Substitution, explain why a government should conduct cost benefit analysis before providing a public good. (8 Marks)