COLLEGE OF BUSINESS, PEACE, LEADERSHIP AND GOVERNANCE

NPGP 512: ECONOMIC ANALYSIS AND PUBLIC POLICY

END OF SEMESTER EXAMINATIONS

NOVEMBER 2022

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TIME: 3 HOURS

INSTRUCTIONS

1. This paper contains **five** questions.

2. Answer **three** questions.

3. Answer question **1** in section A and any other **2** questions from section B.

4. Start each question on a new page.

SECTION A (COMPULSORY)

1. With the aid of empirical examples, discuss the utility of the following theories in understanding the basis for public sector financing.
    a. Sovereign thesis theory
    b. Theory of public finance
    c. Market failure theory
    d. Political economy theory
    e. Public choice theory   **[40 marks]**

SECTION B

2. The COVID-19 pandemic forced governments across the globe to introduce a manifold of strategies to contain the virus and save lives. However, the containment strategies created serious economic development challenges that many countries are grappling with. Many African countries with underlying economic conditions were left with an indelible dent. As an Economic Analysis and Public Policy specialist, advise your government on how it can use fiscal and monetary policies to revamp and reinvigorate economic development.   **[30 marks]**

3. With reference to any African country of your choice, outline and discuss any **five** factors undermining effective expenditure management. In the process of doing so, highlight intervention strategies that can be considered to address the identified challenges.   **[30 marks]**

4. Using any **five** revenue sources of your choice, critically analyse the challenges compromising their performance and proffer recommendations to improve revenue collection.   **[30 marks]**

5. Illicit Financial Flows (IFFs) have become a weevil destroying African economies. Literature demonstrates that African countries have lost billions of dollars due to IFFs. As an Economic Analysis and Public Policy specialist, advise your government on the causes and effects of IFFs and measures to address this scourge.   **[30 marks]**

END OF EXAMINATION