



OFFICE OF THE DEPUTY PRINCIPAL  
ACADEMICS, RESEARCH AND STUDENT AFFAIRS

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## UNIVERSITY EXAMINATIONS

### 2021/2022 ACADEMIC YEAR

FOURTH YEAR SECOND SEMESTER REGULAR MAIN  
EXAMINATION

**FOR THE DEGREE OF BACHELOR OF EDUCATION**

**COURSE CODE: EMP 412**

**COURSE TITLE: ECONOMICS OF EDUCATION**

**DATE: 2<sup>ND</sup> JUNE, 2022**

**TIME: 2.00PM – 5.00PM**

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### INSTRUCTION TO CANDIDATES

- SEE INSIDE

**THIS PAPER CONSISTS OF THREE PRINTED PAGES**

**PLEASE TURN OVER**

**REGULAR – MAIN EXAMS**  
**EDU412: ECONOMICS OF EDUCATION**

**STREAM: BED**

**DURATION: 3 Hours**

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**INSTRUCTIONS TO CANDIDATES**

- i. Answer Question **ONE** and any other **TWO** questions.*
- ii. Do not write on the question paper.*

**Question One**

- a) Define the following terms
  - i) Economics (2mks)
  - ii) Economics of Education (2mks)
  - iii) Opportunity cost (2mks)
- b) Examine FIVE factors that influence demand and supply of education in Kenya. (10mks)
- c) Using a diagram, explain what you understand by the term ‘Age earning profile’ as used in Economics of Education. (4mks)
- d) Discuss FIVE importance of economics of education to a country. (10mks)

**Question Two**

- a) Explain FIVE reasons why education is an investment commodity. (10mks)
- b) Discuss THREE reasons that led to the introduction of university loan scheme in Kenya in 1974. (6mks)
- c) Highlight FOUR importance of human capital theory. (4mks)

**Question Three**

- (a) Differentiate between equity and equality as used in education. (4mks)
- (b) Discuss THREE importance of equity in education (6mks)

(c) Discuss FIVE factors that hinder achievement of equity in Education in Kenya. (10mks)

#### Question Four

- a) State FIVE costs incurred in education. (5mks)
- b) Citing relevant examples, as an educator discuss FIVE methods used in financing education in Kenya. (15mks)

#### Question Five

The table below shows the flow of secondary school students in Kenya between 2016 to 2019.

Form Year	1	2	3	4	Graduates
2016	757900	730400	669400	582900	571161
Repeaters	28000	26500	26200	21500	
2017	801500	738700	691700	678900	610501
Repeaters	29500	26900	26300	32500	
2018	826000	801200	717900	697600	653787
Repeaters	20900	27100	26600	56287	
2019	861400	908100	776900	713600	693770
Repeaters	28200	27000	26000	23000	

Using the table, compute the following:

- a) Crude Grade Survival Rate between Form 1 and 2 in 2017 (2 Marks)
- b) Actual Grade Survival Rate between Form 1 and 2 in 2017 (3 Marks)
- c) Graduation Rate for 2019 (3 Marks)
- d) Grade Drop out Rate between Form 3 and 4 in 2018 (5 Marks)
- e) Average Years Per Graduate (3 Marks)
- f) Actual Grade Wastage Rate between Form 2 and 3 in 2017 (4 Marks)

\*\*\*\*\*END\*\*\*\*\*

EMP 412