

**BACHELOR OF SCIENCE IN COMPUTER SCIENCE**  
**HRD 2103: GENERAL ECONOMICS**  
**SUBMISSION DEADLINE**  
**JUNE 27, 2020 9PM**

Submission to be done via [classroom.google.com](https://classroom.google.com) platform only

**QUESTION ONE:**

- a. Explain the reasons for the increase in public expenditure in recent years.
- b. Discuss the effects of public expenditure on production and distribution

**QUESTION TWO:**

Discuss the main differences in fiscal policy in developed economies and emerging economies.

**QUESTION THREE:**

- a. Why is it important to estimate National Income of a country and what are the practical difficulties in measuring national income in developing countries?
- b. The table below represents economic transactions for country XYZ in billions of shillings:

	Total Output	Total Output
Agriculture	30	10
Manufacturing	70	45
Services	55	25

**Required:**

Calculate the Gross Domestic Product of this economy using the value-added approach