Abstract

This study uses gretl to develop OLS relationship for tourism growth and its determinants. The study uses time series data for the years 1992-2011 to develop the relationship. The values obtained from the test statistic were then used to test hypotheses on the relationship. It is a generally held assumption that marketing, increased bed capacity, CPI ratio and education are related to tourism growth. The results of this research paper confirm this assumption.

Ambitious and strategic marketing increases the number of tourists flocking into the country because they realize the great opportunities available. Bed nights available serve also to increase the number of visitors into the country because tourists mind their comfort so much. Consumer price index ratio indicates the cost of living in the country. Therefore high cost of living tends to scare away tourists. As more graduates from the Kenya Utalii College, they add value to the tourism sector in terms of new skill and competence, thereby packaging tourism sector the better and this will make the sector grow.
ABSTRACT

Human capital is generally considered as a positive contributor in the economic growth. This study investigated the relationship between human capital (as proxied by capital expenditures on education and health) and economic growth in Kenya (1981-2011). The Ordinary Least Square multiple regression analytical method (developed from the original Cobb-Douglas production function) was used to examine the relationship between capital expenditures on education and healthcare; and economic growth. The time series data analysis showed a significant and positive relationship between health expenditures and economic growth; while reporting a significant but negative relationship between education expenditures and economic growth. The study thus recommended that Kenyan policy makers should pay closer attention to the health sector by increasing its yearly budgetary allocation to the sector; and addressing the anomalies in the education sector. Nevertheless the key to good results lies not in ordinarily increasing particular budgetary allocation but rather in implementing a public finance system that, to the extent possible, links specific expenditure and revenue decisions and ensure the usage of the allocated fund as transparently as possible.
ABSTRACT

The question at the back of every expectant mother’s mind is whether to seek skilled birth medical attention for delivering their young one or not. However, what really influences the choice as to where a woman in labor goes? This research is aimed at preventing premature & still-born deaths at delivery provided that a mother is attended in an adequately supplied and equipped health facility. The study objective for this particular research was to find out the factors that influences the demand for skilled birth attendance for child delivery in Kenya. The study used the 2003 KDHS which is a nationally representative sample survey of 8,195 women aged 15-49 and 3,578 men aged 15-54 selected from 400 sample points (clusters) throughout Kenya. The study employed a probit model for the type of delivery as determined by education, age of mother, husband’s education, and place of residence, marital status, religion, birth order and working status. It was found that education, wealth, household size, birth order, religion and region were positively related to skilled birth attendance while age and residence in rural areas was negatively correlated. This research has clearly revealed that skilled child delivery attendance has significant impacts both economically and socially; and if proper attention is paid to the various factors, then targeting MDG 5 is achievable and sustainable.
# DETERMINANTS OF MARKET SHARE AND PROFITABILITY FOR MOBILE PHONE OPERATORS IN KENYA

<table>
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<tr>
<th>GROUP MEMBERS</th>
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<tr>
<td>MUDONI ANTHONY ISABWA</td>
<td>X74/2974/2009</td>
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<td>MACHARIA JOSEPH MURAGU</td>
<td>X74/2019/2009</td>
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<td>NDUKU CAROLYNE MBINYA</td>
<td>X74/3596/2009</td>
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<td>NTARANGWI REBBECCA KANJA</td>
<td>X74/3594/2009</td>
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<tr>
<td>MOMANYI ANNAH NYAKERARIO</td>
<td>X74/3643/2009</td>
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</tbody>
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A research project submitted in the school of Economics in partial fulfillment of the requirement for the award of the Bachelors degree in Economics.

24<sup>th</sup> May, 2013
ABSTRACT

While competition in mobile market is currently evolving, the level of market competition differs dramatically across countries. Many regulations (like Kenya’s CCK) argue that mobile markets are not still effectively competitive.

This study attempts to examine the effects of; number of subscribers, year of a firm’s entry into the market and MTR on competition in the mobile markets, and also aims at addressing the relationship between market power/ share and profitability. To accomplish these objectives we estimate a structural model of mobile industry using a panel of four mobile operators in Kenya over the years 2007-2011.

The empirical results indicate that some regulatory policies such as MTR play a vital role in determining an operator’s market share and profitability. Market share has a positive impact on the level of profitability. That is, mobile markets are as per empirical results, governed by mainly regulatory policies. The study emphasizes the importance of sector-specific regulation for development of competition in the mobile markets.

Key words: ARPM/MTR, Market share, Profitability, Mobile Telecommunications
ABSTRACT

The goal of the research was to show the economic link between electrification in the rural areas and agricultural development in Kenya as is stipulated in the Vision 2030 policy document.

Rural areas need electricity to substitute other sources of energy for example wood for fire which is got from forestry. The use of wood fuel causes deforestation which eventually leads to desertification. The backbone of Kenyan economy is majorly agriculture and desertification would heavily ruin the productivity since most of agriculture is practised in the rural areas.

The objective of this paper is to find out the effect of rural electrification on agricultural development and make relevant recommendations.

The study adopted an analytical research design. Secondary data was obtained from the Kenya National Bureau of Statistics. Data was analyzed using statistical techniques with the help of GRETL computer software. Multiple linear regression was used to model the relationship between the study variables. The findings in this study showed that rural electrification has a positive effect on agricultural development. Agricultural development was indicated by agricultural output.
THE EFFECTS OF SALES TAX ON BEER PRICES AND ITS CONTRIBUTION TOWARDS ECONOMIC DEVELOPMENT

XEA 402: RESEARCH PAPER

A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF ECONOMICS IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF BACHELORS DEGREE IN ECONOMICS AND ECONOMICS AND STATISTICS OF THE UNIVERSITY OF NAIROBI

MAY 2013
ABSTRACT

Sales taxes form a major component of government revenue in its attempt to increase revenue channels to stimulate economic growth and development. Although governments have various sources of revenue and income, the major approach by majority of states in the world involves use of taxes. In this front, government through its monetary mechanisms utilizes its powers to ensure every industry in the economy contributes to economic growth and development of a nation. Kenya government introduced various forms of taxes, including sales taxes in major commodities in order to boost government agenda of economic development. Our research was meant to show the effects of sales taxes on prices of beer in Kenya, with strong emphasis on three brands; Pilsner, Tusker and Guinness.

For this research, a combination of qualitative and quantitative research methods was adopted. Data was also collected in form of both quantitative and qualitative data (Secondary). Secondary data was considered very useful for the purpose of this study since it familiarizes the researchers with a wealth of literature on sales taxes and their effects to the economic development through increased beer prices. Data obtained was analyzed using descriptive statistics and inferential statistics that revealed statistical significance and associations or relationships.

The findings of the research identified various forms of tax avenues government adopted. The results indicate that there is a positive proportionality of beer prices with sales taxes. When government increases prices of these beer brands during its annual budgetary speeches, the prices on consumer level increased due to higher taxes levied by government from manufacturer’s perspective. This increases sales taxes and government revenues which are used in development agenda of the country. With consideration of other independent variables influencing the level of sales taxes in Kenya, like interest rates, demographic factors and electioneering periods, it becomes evident that beer prices plays a statistically significant role in the volume of sales taxes collected in Kenya.