Review of: "Economic System Rationality Entropy setting for Kenya by Fiscal Policy, Job Re-assignment and Job Creation: Human Capital-based Resilience Indexing against China"

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Potential competing interests: No potential competing interests to declare.

Title of the Paper: Economic System Rationality Entropy setting for Kenya by fiscal policy, job re-assignment and job creation: Human capital-based resilience indexing against China

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Review Report

1. The topic is interesting and relevant. Entropy means degree of disorder or randomness in the system. In the process of economic growth various problems arise, namely, resource and environmental degradation, greater inequality in income distribution, inability to solve the problems of unemployment and poverty and so on. In effect, growth may be unsustainable and socio-economic balance will be disturbed. So, to minimize entropy level by appropriate policy measures, rational behavior of the economic agents and decision-makers is very important.
2. However, the research question of the paper is not very clear and properly focused. The author has incorporated many issues in this analysis. Even the title of the paper is not very clear. As a result , the theoretical and analytical part of this work is found to be weak. The problem should be analyzed in a more focused way.
3. The entropy level is determined by income and consumption in the economy and the author has mentioned it. The optimal depletion of natural resources, controlled emission of carbon from production process, efficient use of inputs and the use of proper technology are very important to maintain proper entropy level. So, the economic agents have to be rational. But the results show that 68-74 % population are irrational in income generation. May be the majority of the households are not rational in consumption in larger perspective. The general mindset is that firms will go for higher production and larger profit disregarding social cost of higher production. Equally in a neo-classical framework the households will always prefer a larger consumption basket. The rationality will not work. Therefore, a comprehensive analysis is required here.
4. The study reveals that saving rate in Kenya is only 4.45% of GDP against 43.98% in China. In conclusion, the author suggests that the government in Kenya needs to stop any further business and embark on job creation only. But is job creation possible without investment and growth ? The paper also puts importance on human capital formation. But this also requires investment in education and health , both in the public and private sectors. So, the whole issue is to be addressed in a macro framework.

5. The paper mentions the role of fiscal instruments in regulating the behavior and decisions of the economic agents. But no detailed analysis is there in the paper. However, taxation, subsidies and public expenditure can restrict excessive extraction of natural resources , control polluting activities, encourage environment friendly activities and ensure economic sustainability. So the role of fiscal policy in this context should be discussed in more details.
6. From analytical point of view Kenya and China are not comparable in many respects. So, the Study of Kenya with similar countries will be more meaningful so far as policy prescriptions are concerned.
7. Lastly, in addition to data analysis , a comprehensive economic study in a more structured framework will help improve the paper.