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(Knowledge for Development)

KIBABII UNIVERSITY
UNIVERSITY EXAMINATIONS
2020/2021 ACADEMIC YEAR
MAIN EXAMINATION

COURSE CODE: DIB 103

FOR DIPLOMA IN BUSINESS MANAGEMENT.

COURSE TITLE: ELEMENTS OF ECONOMICS

DATE: 17-5-2021

TIME: 8.00AM-10.00AM

INSTRUCTIONS TO CANDIDATES

Answer Question One in Section A and Any other TWO (2) Questions in Section B

TIME: 2 Hours



KIBU observes ZERO tolerance to examination cheating

This Paper Consists of 3 Printed Pages. Please Turn Over.

SECTION A (COMPULSORY)

QUESTION ONE

- a) Define the term “economics” (2 marks)
- b) Differentiate between supply schedule and quantity supplied (4 marks).
- c) What does the economic term “consumer sovereignty” mean? (4 marks)
- d) State and explain the underlying importance of studying economics. (10 marks)
- e) Discuss the key features of a mixed economic system (10 marks)

SECTION B

QUESTION TWO

- a) State and explain FIVE objectives of a trade union. (10 marks)
- b) Elaborate barriers to the mobility of labour as a factor of production. (10 marks)

QUESTION THREE

- a) Explain five factors that influence the production process. (10 marks)
- b) Explain the disadvantages of a free enterprise economy.(10 marks)

QUESTION FOUR.

- a) Explain FIVE main causes of unemployment in least developing countries. (10 marks)
- b) What is the importance of Importance of Enterprise in the production process(10 marks)

QUESTION FIVE

- a) What are some of the factors that influence the exchange rate in an economy? (10 marks).
- b) What are the disadvantages of division of labour and specialization? (10 marks)