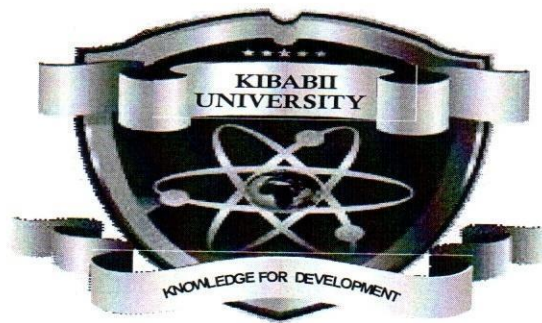


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(Knowledge for Development)

KIBABII UNIVERSITY
UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

MAIN EXAMINATION
FOR THE DIPLOMA IN BUSINESS MANAGEMENT

COURSE CODE: DIB 103

COURSE TITLE: ELEMENTS OF ECONOMICS

DATE :7TH SEPTEMBER,2022

TIME: 9.00 – 11.00AM

INSTRUCTIONS TO CANDIDATES

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

TIME: 2 Hours

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KIBU observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over.

SECTION A: ONE COMPULSORY QUESTION

QUESTION ONE

- (a) Explain the term Economics (2marks)
Write short notes on the following concepts:
- b) Examine the difference between Micro-economics and Macro-economics (4marks)
- c) Analyze Four uses of P-P Frontier (4marks)
- d) Appraise the Five demerits of a free market economy (10marks)
- e) Elaborate on Five types of elasticity of supply (10marks)

Section B: Choose Any Two QUESTIONS

QUESTION TWO

- a) Asses the term utility, and highlight on the four forms of utility (5marks)
- b) Argue on the Five limitation of Division of labour in organization (10marks)
- c) Evaluate features of perfect competition (5marks)

QUESTION THREE

Interpret the Five factors which affect elasticity of supply (10marks)

- b) Evaluate on the five types of price elasticity of supply (10marks)

QUESTION FOUR

- a) Examine the TEN factors that have contributed to the success of trade unions in LDC (20 MARKS)

QUESTION FIVE

- a) With the help of a diagram justify on the long run feature of monopolistic competition (20marks)