



**TECHNICAL UNIVERSITY OF MOMBASA**  
***Faculty of Engineering & Technology***

DEPARTMENT OF ELECTRICAL & ELECTRONICS ENGINEERING

UNIVERSITY EXAMINATIONS FOR DEGREE IN  
BACHELOR OF ELECTRICAL & ELECTRONICS ENGINEERING

**HRD 2103: GENERAL ECONOMICS**

END OF SEMESTER EXAMINATIONS

**SERIES: APRIL 2015**

**TIME: 2 HOURS**

**INSTRUCTIONS:**

- Answer Question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

***This paper consists of Two printed pages***

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**QUESTION 1 (Compulsory)**

- a) Explain **FIVE** difficulties faced in International trade and how to overcome them. **(13 marks)**
- b) Explain **FIVE** causes of unemployment in developing countries. How should these causes be overcome. **(12 marks)**
- c) Explain in brief the following concepts:
  - i) Choice
  - ii) Scarcity
  - iii) Opportunity cost
  - iv) Economic system
  - v) Quota

**(5 marks)**

## QUESTION 2

- a) i) Define the concept indifference curve.  
ii) Explain its **FOUR** characteristics. **(10 marks)**
- b) Discuss reasons why modern industries prefer to automate their manufacturing process. **(10 marks)**

## QUESTION 3

- a) Explain **FIVE** factors influencing the supply of a commodity. **(10 marks)**
- b) The table below shows the demand and supply schedule for a product:

Price (sh/kg)	Demand (Kg)	Supply (Kg.)
10	100	20
20	85	30
30	70	50
40	55	70
50	40	80
60	25	100
70	10	120

### Required:

Plot the demand and supply curves and determine the equilibrium price and quantity. **(10 marks)**

## QUESTION 4

- a) Explain difficulties faced in measuring national income of a country. **(10 marks)**
- b) Discuss factors leading to the slow pace of economic growth in Kenya. **(10 marks)**

## QUESTION 5

- a) Highlight **FIVE** characteristics of a perfect competitive market. **(10 marks)**
- b) Discuss key clauses in the Memorandum of Association. **(10 marks)**