



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

DEPARTMENT OF ELECTRICAL & ELECTRONICS ENGINEERING

UNIVERSITY EXAMINATIONS FOR DEGREE IN  
BACHELOR OF SCIENCE IN ELECTRICAL & ELECTRONIC ENGINEERING

**HRD 2103: GENERAL ECONOMICS**

SPECIAL/SUPPLEMENTARY EXAMINATIONS

**SERIES: FEBRUARY 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** problems of using national income as a basis of comparing the level of development of countries. **(10 marks)**
- b) Highlight the importance of adopting automation in their manufacturing process. **(10 marks)**
- c) Discuss the contents of Memorandum of Association (MOA). **(10 marks)**

**QUESTION 2**

- a) Discuss **THREE** methods of measuring national income. **(10 marks)**
- b) Discuss **FIVE** characteristics of a developing country. **(10 marks)**

### QUESTION 3

- a) Explain **FIVE** advantages of oligopolistic market structure. **(10 marks)**
- b) Explain the following terms:
- i) Balance of payments
  - ii) Per capita income
  - iii) Capitalization per capita income
  - iv) Economic system
  - v) Gross Domestic Product. **(10 marks)**

### QUESTION 4

- a) Using a well labelled diagram, distinguish between a movement along the demand curve and shift of the demand curve. **(10 marks)**
- b) Explain factors determining the supply of a commodity. **(10 marks)**

### QUESTION 5

Discuss the causes of unemployment and probable solutions in a developing country. **(20 marks)**