



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

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)