



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business and Social Studies

DEPARTMENT OF BUSINESS STUDIES

UNIVERSITY EXAMINATIONS FOR DEGREE IN
BACHELOR OF TRANSPORT AND LOGISTICS MANAGEMENT

BTL 4300: TRANSPORT 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) Examine **FOUR** benefits of transport systems to the East African Community. **(6 marks)**
- b) Examine the demand and supply side decisions in relation to transport operations. **(8 marks)**
- c) Examine characteristics of the following modes of transport in relation to passengers and freight. **(16 marks)**
 - i) Rail
 - ii) Road
 - iii) Air
 - iv) Sea

QUESTION 2

- a) Examine the role of forecasting in transport. **(8 marks)**
- b) The matatu industry is a form of competitive market structure. Discuss. **(12 marks)**

QUESTION 3

- a) Examine the barriers to the entry of a transport market that has a single firm. **(12 marks)**
- b) Examine arguments for subsidies in passenger transport. **(8 marks)**

QUESTION 4

Examine private and external costs of transport. **(20 marks)**

QUESTION 5

- a) Examine the particular features in transport infrastructure investment. **(12 marks)**
- b) Highlight **FOUR** investment appraisal methods used in transport. **(8 marks)**