



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR:

DIPLOMA IN HUMAN RESOURCE MANAGEMENT

DIPLOMA IN BUSINESS MANAGEMENT

DIPLOMA IN PURCHASING AND MATERIALS MANAGEMENT

DIPLOMA IN FRONT OFFICE

DIPLOMA IN SALES MANAGEMENT

DIPLOMA IN BUSINESS ADMINISTRATION

DIPLOMA IN ACCOUNTING

BAC 2105: MACRO ECONOMICS

END OF SEMESTER EXAMINATION

SERIES: AUGUST₂₀₁₉

TIME: 2HOURS

DATE: 24Jun₂₀₁₉

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, Calculator, examination pass and student ID

This paper consists of **FIVE** questions. Attempt question ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

Question ONE

- a) Explain the FIVE non-monetary measures that can be used to combat inflation (10 marks)
- b) Explain FIVE advantages that Kenya gains by being a member of COMESA ((10 marks)
- c) Explain FIVE factors contributing to underutilization of the resources in African countries (10 marks)

Question TWO

- a) According to Adam Smith explain FIVE canons of taxations (10 marks)
- b) Government's will always strive to protect their economies from disadvantages of international trade. Explain FIVE non-tariff barriers to trade (10 marks)

Question THREE

- a.) Describe FIVE limitations of using National income statistics in comparing standards of living of citizens in different countries (10 marks)
- b) State and explain FIVE solutions to the challenge of deficit balance of payment faced by many developing countries (10 marks)

Question FOUR

- a) Explain FIVE sources of government revenue (10 marks)
- b) Explain FIVE roles of central bank in a given economy (10 marks)

Question FIVE

- A) State and explain FIVE types of unemployment in world economies (10 marks)
- B) Describe FIVE objectives of economic development (10 marks)