TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF ENGINEERING AND TECHNOLOGY

DEPARTMENT OF ARCHITECTURE & BUILT ENVIRONMENT

UNIVERSITY EXAMINATION FOR:

DIPLOMA IN QUANTITY SURVEYING

EQS 2108: GENERAL ECONOMICS I

SPECIAL/SUPPLEMENTARY EXAMINATION

YEAR 1 SEMESTER 2

SERIES: MAR 2025

TIME: 2 HOURS

DATE: MAR 2025

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, 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 - COMPULSORY (30 marks)

a) Explain the difference between "a change in quantity demanded" and "a change in demand." (5 marks)

b) State the law of demand for goods and services. (2 marks)

c) The demand curve has a downward-sloping shape. Identify and explain THREE reasons for this shape. (15 marks)

d) Explain FOUR reasons why we study economics. (8 marks)

QUESTION TWO (15 marks)

Highlight FIVE key features of the following types of market structures in an economy:

a) Perfect competition (5 marks)

b) Monopoly (5 marks)

c) Oligopoly (5 marks)

QUESTION THREE (15 marks)

a) Explain the term "economic resource." (3 marks)

b) Explain the FOUR factors used in the production of goods and services in an economy. (12 marks)

QUESTION FOUR (15 marks)

Explain the following concepts as used in economics:

a) Market Surplus (3 marks)

b) Market Shortage (3 marks)

c) Marginal Product (3 marks)

d) Increasing returns to scale (3 marks)

e) Constant returns to scale (3 marks)

QUESTION FIVE (15 marks)

Explain the market equilibrium of prices and quantities for goods and services using the law of demand and supply. Show all your illustrations using the relevant curves.

(15 marks)