



**TECHNICAL UNIVERSITY OF MOMBASA**  
*Faculty of Business & Social Studies*

DEPARTMENT OF MEDIA & GRAPHIC DESIGN

DIPLOMA IN MASS COMMUNICATION  
(DMP/R 3)

**BAC 2131: ECONOMICS FOR JOURNALISTS**

SUPPLEMENTARY/SPECIAL EXAMINATIONS

**SERIES:** FEBRUARY 2013

**TIME:** 2 HOURS

**INSTRUCTIONS:**

- This paper consists of **TWO** Sections **A & B**.
- Section **A** is **Compulsory**.
- Answer any other **TWO** questions in Section **B**.

***This paper consists of Two printed pages.***

## SECTION A (Compulsory)

### QUESTION 1

- a) Explain the following concepts: **(15 marks)**
- i) Opportunity cost
  - ii) Scarcity
  - iii) Price elasticity of demand
  - iv) Economic growth
  - v) Price control
- b) State **FIVE** factors that influence the price elasticity of demand for a good. **(10 marks)**
- c) Using illustration, explain equilibrium price and equilibrium output and how it is attained on a free market situation. **(5 marks)**

## SECTION B (Answer any **TWO** questions)

### QUESTION 2

Discuss **FIVE** advantages and **FIVE** disadvantages of international trade. **(20 marks)**

### QUESTION 3

- a) Explain **FIVE** qualities of good money. **(10 marks)**
- b) Outline **FIVE** functions of the Central Bank of Kenya. **(10 marks)**

### QUESTION 4

- a) Account for the existence of perfect competition. **(10 marks)**
- b) Explain **FIVE** factors that influence the supply of a commodity in the market. **(10 marks)**

### QUESTION 5

- a) Outline **FIVE** importance of economics. **(10 marks)**
- b) State **FIVE** indicators of economic development. **(10 marks)**