



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

**UNIVERSITY EXAMINATION FOR THE DEGREE OF CERTIFICATE IN
BUSINESS ADMINISTRATION**

1ST YEAR 1ST SEMESTER 2017/2018 ACADEMIC YEAR

NAIROBI CITY LEARNING CENTRE

COURSE CODE: BEN 2104

COURSE TITLE: INTRODUCTION TO ECONOMICS

EXAM VENUE:

STREAM: CBA

DATE:

EXAM SESSION:

TIME:

Instructions:

- 1. Answer Question 1 (COMPULSORY) and ANY other 2 questions.**
- 2. Candidates are advised not to write on the question paper.**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.**

Question One

- (a) Discuss any five characteristics of human wants. (10 marks)
- (b) Explain any five advantages of Sole proprietorship. (5 marks)
- (c) (i) Commodities which are used as money must have certain qualities to perform the functions of money. State any four of these qualities.(4 marks)
(ii) Outline the functions of commercial banks in an economy. (3 marks)
- (d) Briefly explain the following terms as used in economic analysis:
- i. Utility
 - ii. Opportunity cost
 - iii. Scarcity
 - iv. Choice

(8 marks)

Question Two

- (a) Demand is often described as the quantity that one is able and willing to acquire. State the law of demand and exemptions thereof. (8 marks)
- (b) Discuss any six factors that determine the elasticity of demand. (12 marks)

Question Three

- (a) Explain the main functions of a market. (8 marks)
- (b) Explain the various functions of money (8 marks)
- (c) State four factors that affect the elasticity of supply. (4 marks)

Question Four

- (a) Describe factors affecting the supply of a given commodity (8 marks)
- (b) With examples, explain the various factors of production (8 marks)
- (c) Outline the characteristics of wealth in economics (4 marks)

Question Five

- (a) Explain any five factors affecting the extent of a market (6 marks)
- (b) Discuss the major factors that affect the location of an industry (8 marks)

(c) State and explain any three international economic institutions under international trade (6 marks)