

**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY
SCHOOL OF BUSINESS AND ECONOMICS
UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF
INTERNATIONAL TOURISM MANAGEMENT.
YEAR 1, SEMESTER 1 ACADEMIC YEAR 2024/5 SEMESTER EXAMINATIONS.
MAIN CAMPUS.**

COURSE CODE: BEB 9103

COURSE TITLE: INTRODUCTORY ECONOMICS

EXAM VENUE:

STREAM: BITM

DATE:

EXAM SESSION:

TIME:

Instructions

1. Answer Question ONE (COMPULSARY) and ANY other two (2) questions.
2. Candidates are advised not to write on the question paper.

QUESTION ONE (30 MARKS).

- a) What is Macroeconomics? **(5 Marks).**
- b) Explain the concept of demand? **(5 Marks).**
- c) What does income elasticity of demand mean? **(5 Marks).**
- d) List the assumptions of perfectly competitive market structure? **(5 Marks).**
- e) Explain clearly the concept of inflation? **(5 Marks).**
- f) Examine the concept of economic growth? **(5 Marks).**

QUESTION TWO (20 Marks).

- a) Explain the differences between the short-run and the long-run equilibrium under monopoly market structure? Use a clearly labeled diagram to illustrate? **(8 Marks).**
- b) How is perfect competition and Monopolistic competitions different in the long-run? Use appropriate diagram to explain **(12 Marks)**

QUESTION THREE 20 MARKS

- a) A demand and supply schedule for oranges

Price per orange	Quantity Demanded	Quantity Supplied
6	18	10
8	16	12
10	14	14
12	12	16
14	10	18
16	8	20
18	6	21

You are required to:

- i) Draw the demand and supply curves **(6 Marks).**
- ii) What is the equilibrium Price? **(3 Marks).**
- iii) What is the equilibrium quantity? **(3 Marks).**
- b) List the determinants of demand? **(8 Marks).**

QUESTION FOUR 20 MARKS

- a) List and explain the Macroeconomic variables? **(10 Marks).**
- b) Explain briefly the different components of national income? **(10 Marks).**

QUESTION FIVE 20 MARKS

- a) What are the different causes of unemployment in a country? **(8 Marks).**
- b) Suggest ways in which Kenya can reduce the levels of unemployment in the country? **(12 Marks).**