



**NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**FACULTY OF THE BUILT ENVIRONMENT**

**DEPARTMENT OF ARCHITECTURE**

**INTRODUCTION TO ECONOMICS**

**AAR 2106**

**Supplementary Examination Paper**

**July 2016**

This examination paper consists of 2 pages

**Time Allowed: 3 hours**

**Total Marks: 100**

**Special Requirements: NONE**

**Examiner's Name: Mr. T. Madyangove**

**INSTRUCTIONS**

1. Answer any 4 questions
2. Where appropriate, use illustrations to support your answer

**MARK ALLOCATION**

<b>QUESTION</b>	<b>MARKS</b>
1.	25
2.	25
3.	25
4.	25
<b>TOTAL</b>	<b>100</b>

### **QUESTION 1**

Discuss the effectiveness of the resource allocation and distribution models adopted in economic systems of a country of your choice you have studied.

### **QUESTION 2**

(a.) Define an economic problem [5]

(b.) using the Production Possibility Curve, explain the following concepts:-

i). opportunity cost

ii). Choice

iii). Scarcity

iv). Resource allocation [20]

### **QUESTION 3**

With reference to the construction industry, discuss any five factors that affect demand of construction products.

### **QUESTION 4**

Using developing countries as an example, critically analyse the role of Multinational Companies in the economies of these countries.

### **QUESTION 5**

Compare and contrast the long-run equilibrium of monopolistic competition and that of perfect competition