



NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF THE BUILT ENVIRONMENT

DEPARTMENT OF ARCHITECTURE

INTRODUCTION TO ECONOMICS

AAR 2106

Examination Paper

December 2016

This examination paper consists of 2 pages

Time Allowed: 3 hours

Total Marks: 100

Special Requirements:

Examiner's Name: Mr T Madyangove

INSTRUCTIONS

1. Answer any four (4) questions
2. Each question carries 25 marks
3. Where required give examples and draw illustrations and diagrams

MARK ALLOCATION

QUESTION	MARKS
1.	25
2.	25
3.	25
4.	25
5.	25
6.	25
TOTAL	100

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QUESTION 1

In light of the 2007-2008 period, analyse the effects of inflation on the built environment in Zimbabwe.

QUESTION 2

a). Demonstrate your understanding of an economic problem. [10]

b). Using the Production Possibility Curve (PPC), illustrate the concept of scarcity, choice and opportunity costing. [15]

QUESTION 3

With the aid of examples from the built environment, identify and explain any five factors of production.

QUESTION 4

a). Using graphs, describe the relationship between Total, Average and Marginal Product in the short run of a perfect completion. [9]

b).With the aid of any industries known to you, demonstrate your understanding of the economies and diseconomies of scale. [16]

QUESTION 5

Using graphs, show your understanding of a profit maximization and profit losses in a perfectly competitive economic system.

QUESTION 6

With the aid of examples, discuss any five factors that affect elasticity of demand and supply.