NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF THE BUILT ENVIRONMENT

DEPARTMENT OF ARCHITECTURE

INTRODUCTION TO ECONOMICS

AAR 2106

Examination Paper

December 2017

This examination paper consists of 2 pages

Time Allowed: 3 hours

Total Marks: 100

Special Requirements: NONE

Examiner's Name: Mr. W. Siziba

INSTRUCTIONS

1. Answer any 4 questions

2. Where appropriate, use illustrations to support your answer

MARK ALLOCATION

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

QUESTION 1

Explain briefly what an economist means by:

    a. Utility   (5)

    b. Choice   (5)

    c. Opportunity cost   (15)

QUESTION 2

Why does the demand curve usually descend towards the right?   Illustrate graphically and explain what you understand by a backward sloping demand curve.

QUESTION 3

Distinguish between a change along an existing demand curve and a shift of the curve to a new position.

QUESTION 4

What is meant by 'equilibrium price'?   Explain how such a price is established in the market and how is it affected by changes in Demand and supply conditions.

QUESTION 5

    a. What is meant by an 'urban economy'?   (5)

    b. Examine the notion that cities are engines of economic growth in developed and developing countries.   (20)

QUESTION 6

Using examples, discuss the role of Multinational companies in Zimbabwe.