

2nd SEM. 2013/2014



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UNIVERSITY OF SWAZILAND

FINAL EXAMINATION PAPER

- PROGRAMME: BSc. in Agricultural Economics and Agribusiness Management Year I
 BSc. in Agricultural Education Year I
 BSc. in Agronomy Year I
 BSc. in Animal Science Year I
 BSc. in Food Science, Nutrition and Technology Year I
 BSc. in consumer science Year I
 BSc. in Consumer sciences Education Year I
 BSc. in Horticulture Year I
 BSc. in Agricultural & bios stems Engineering Year I
 BSc. in Textiles Apparel Design and Management Year I

COURSE CODE: AEM 103

TITLE OF PAPER: PRINCIPLES OF ECONOMICS

TIME ALLOWED: 2:00 HOURS

INSTRUCTION: ANSWER QUESTION 1 (COMPULSORY) PLUS ANY TWO QUESTIONS

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Question I (Compulsory) [40 marks]

- a) Market structures differ in many ways but we can identify some vital differences and / or similarities using five features of market structures. Use a table to set out these features for the four main market structures. From your table, it should be clear how these market structures are similar or different from one another using examples. (30 marks).
- b) Using the case of Swaziland, explain why monopolies are disliked by consumers. (10 marks).

And

Question 2 [30 marks]

- a) With the aid of a diagram and equation, show and explain the consumer equilibrium concept. (14 marks).
- b) Using a graph, discuss the stages of production. (16 marks)

Or

Question 3 [30 marks]

Define and give examples of the following key terms as used in Economics:

- a) Economies of scale (6)
- b) Demand (6)
- c) Inferior good (6)
- d) Opportunity cost (6)
- e) Elasticity of demand (6)

Or

Question 4 [30 marks]

- a) Using a diagram or diagrams, illustrate how a change in the income of an individual may affect an individual's budget line and consumption in turn. (10 marks)
- b) Using a diagram or diagrams, illustrate the types of production functions. (12marks).
- c) What is a ceiling price? Who benefits from a ceiling price and why? (8 marks)

END OF PAPER