



MACHAKOS UNIVERSITY COLLEGE

(A Constituent College of Kenyatta University)

University Examinations for 2014/2015

SCHOOL OF ENGINEERING AND TECHNOLOGY

DEPARTMENT OF BUILDING AND CIVIL ENGINEERING

FIRST /SECOND SEMESTER EXAMINATION FOR DIPOLMA IN BUILDING
CONSTRUCTION TECHNOLOGY AND CIVIL ENGINEERING

BCE BT/BCE CD 103: ECONOMICS

DATE: 8/4/2015

TIME: 3 HRS

Instructions

- *Question one is compulsory*
- *Answer any other two questions*

1. a) Explain the following terms:-
 - i) Direct consumption
 - ii) Indirect construction (4 marks)
 - b) Explain with help of a diagram what is meant by elasticity of demand. (6 marks)
 - c) State five factors of change in demand. (5 marks)
 - d) Name and explain four factors of production. (8 marks)
 - e) State five function of a market. (5 marks)
 - f) Define the term economics. (2 marks)
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2. Discuss how the market price of a commodity (say timber) is arrived at using the demand and supply curves. (20 marks)
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3. a) Discuss five concept of national income. (10 marks)
 - b) Explain the exceptions of the law of diminishing returns. (10 marks)

4. a) Discuss five factor which determine elasticity of demand. (10 marks)
b) explain four advantages of mobility of labour. (8 marks)
c) Define what is an abnormal demand curve. (2 marks)
5. a) Explain the function of commercial banks (8 marks)
b) Explain five factors that lead to rise and fall of demand. (10 marks)