



**REFORMED CHURCH UNIVERSITY**

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**FACULTY OF COMMERCE**

**Bachelor of Commerce Honours Degree in Logistics and Supply**

**Chain Management**

**Principles of Economics**

**HLSM 117**

**Part 1 Semester 2 Examination**

**Total Marks [100]**

**Date: January 2022**

**Time: 3 Hours**

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**INSTRUCTIONS**

1. This paper has *six (6)* questions
2. Answer question *one (1)* and *any other three (3)*
3. Each question carries *25 marks*
4. Start each question on a new page

1. Graphically explain the economy's production possibility curve in terms of economic growth. (25)
2. Giving relevant examples in Zimbabwe, explain the rationale for a command economy structure. (25)
3. (a) Giving examples differentiate between a firm and an industry. (10)  
(b) Explain any five features of Oligopoly. (15)
4. Discuss the causes and solutions of unemployment in Zimbabwe. (25)
5. Explain the following terms as they relate to economics:
  - (a) Equilibrium (5)
  - (b) Opportunity cost (5)
  - (c) Scarcity (5)
  - (d) Elasticity of Demand (5)
  - (e) Inferior goods (5)
6. Explore any five ways in which the government of Zimbabwe can protect small and medium enterprises. (25)

*End of Paper*