



REFORMED CHURCH UNIVERSITY

FACULTY OF COMMERCE

**Bachelor of Commerce Honours Degree in Human Resources, Industrial
and Labour Relations Management**

Principles of Economics

HHRM 104/HBUM 105

Part 1 Semester 1 Examination

Total Marks [100]

Date: November 2019

Time: 3 Hours

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. Discuss **five** micro and **five** macro-economic challenges that the Zimbabwean economy is currently facing and suggest possible remedies. (25)
2. Assess the effectiveness of Zimbabwean government policies in correcting market failure. (25)
3. (a) Explain the **three** main elasticity of demand concepts. (12)
(b) Discuss benefits of price elasticity of demand to a toy manufacturer. (13)
4. Justify the significance of trade protectionism in an economy. (25)
5. (a) Explain any **four** causes of unemployment in Zimbabwe. (12)
(b) Assess the effectiveness of policy measures your government can put in place to combat unemployment. (13)
6. Evaluate the extent to which the Marginal Revenue Productivity Theory explain wage differentials. (25)

End of paper