



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
ACADEMIC YEAR 2022/2023
FIRST YEAR SECOND SEMESTER**

**SCHOOL OF BUSINESS & ECONOMICS
CERTIFICATE IN HUMAN RESOURCE MANAGEMENT**

COURSE CODE: CHR 110

COURSE TITLE: INTRODUCTION TO ECONOMICS

DATE: 24/4/2023

TIME: 0830-1030 HRS

INSTRUCTIONS TO CANDIDATES

Answer Question ONE and any other THREE Questions.

QUESTION ONE

a) Write short notes on the following concepts:

- i. Micro economics and Macro economics. **(2 Marks)**
- ii. Choice **(1 Mark)**
- iii. Utility **(1 Mark)**
- iv. Rational self -interest **(2 Marks)**

b) Explain briefly the factors of production **(4 marks)**

c) Unemployment is a serious problem in the country. State five causes of unemployment **(5 Marks)**

d) Economics is a science which studies human behavior as a relationship ends and scarce means which have alternative uses (Robbins 1932). As a human resource manager, highlight the importance of studying economics.

(4 Marks)

e) With an aid of a diagram, explain the circular flow of income with the two players.

(6 Marks)

QUESTION TWO

a) Explain five characteristics of a perfect competition market structure.

(10 Marks)

b) Given the utility of listening to country and western music below, compute the marginal utility **(5 Marks)**

Hours of listening	1	2	3	4	5	6
Total utility	200	298	348	358	358	288

QUESTION THREE

a) Explain five challenges encountered by economic planners when estimating the national income in developing countries **(10 Marks)**

b) State five purposes of trade unions towards achieving their objectives.

(5 Marks)

QUESTION FOUR

a) Explain five factors responsible for wage differentials between occupations.

(10 Marks)

b) Briefly explain five factors influencing the demand of a commodity

(5 Marks)

QUESTION FIVE

Discuss five types of unemployment

(15 Marks)

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