



W1-2-60-1-6
JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND
TECHNOLOGY
END OF SEMESTER EXAMINATION
YEAR 2021/2022

EXAMINATION FOR THE DEGREE OF BACHELOR OF SCIENCE
IN INFORMATION TECHNOLOGY
HBC 2104: INTRODUCTION TO MICRO ECONOMICS

DATE: DECEMBER 2021

TIME: 2 HOURS

INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER
TWO QUESTIONS

QUESTION ONE

- A. Provide an elaborate interpretation of individual demand function and provide a functional notation of Ceteris paribus. (7 marks)
- B. Economists theorize that the law of demand is not an unassailable truth, discuss the exceptions to this effect (7 marks)
- C. Discuss the central economic concept of scarcity, choice, opportunity cost and scale of preference (7marks)
- D. Provide graphical Illustration on how to achieve the following variables in a perfect competition market in the long run
 - i. Loss (3 Marks)
 - ii. Profit (3 Marks)
 - iii. Equilibrium (3 Marks)

QUESTION TWO

- A. Provide graphical Interpretation of the following
 - i. Total Revenue-Total Cost (5 marks)
 - ii. Marginal Revenue –Marginal cost perspective (5 Marks)
- B. Explain the applicability of the Keynesian model of income, consumption, investment, government, and foreign sector in Kenyan economy (10 marks)