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DMI-ST. EUGENE UNIVERSITY

ZAMBIA

DEGREE EXAMINATION – DECEMBER 2023

Semester: II

551/552 MG23 BUSINESS ECONOMICS

Time: 3:00 Hours

Max. Marks: 100

Answer any FIVE Questions (5 x 20 = 100 Marks)

1. a) Define Business Economics. (2 Marks)
 b) Discuss in detail the different forms of economic systems using practical examples. (8 Marks)
 c) Distinguish between Micro and Macroeconomics. (10 Marks)
2. a) You are an economic advisor for Zambeef limited. Explain the concept of individual demand and market demand. (10 Marks)
 b) Explain the different forms of elasticity of demand. (10 Marks)
3. a) Discuss in detail the different types of Short-Run Cost. (10 Marks)
 b) Complete the following Cost Schedule

Units of output q	TFC	TVC	TC	AFC	AVC	AC	MC
0	150	0	150	--	--	--	--
6	150	50					
16	150	100					
29	150	150					
44	150	200					
55	150	250					
60	150	300					

4. a) Discuss the Classification of Markets with practical examples. (10 Marks)
 b) As an economist, discuss the Causes of monopoly in Zambia. (10 Marks)

5. a) What is meant by National Income? **(2 Marks)**
b) Discuss the importance of increasing national income. **(10 Marks)**
c) Explain the four phases of a trade cycle. **(8 Marks)**
6. a) Discuss the causes of inflation in Zambia. **(10 Marks)**
b) Explain the measures that the government of Zambia needs to consider to control inflation. **(10 Marks)**
7. a) Explain the concept of Demand, Law of Demand and a Demand Schedule. **(10 Marks)**
b) Explain the Determinants of Supply using practical examples. **(6 Marks)**
c) Briefly explain the increase and Decrease of Demand. **(4 Marks)**