

**FINAL
ALTERNATIVE ASSESSMENT**

(COVER PAGE)

Session : January 2021

Programme : Diploma in Quantity Surveying (DQS)

Course : ECO1141: Principles of Economics

Date of Examination : 8 March 2021 (Monday)

Time : 8.00am – 10.30am Reading Time : Nil

Duration : 2 Hours 30 Minutes

Special Instructions :

This paper consists of **FOUR (4)** questions and answer **ALL** questions. Each question carries 25 marks.

Material permitted : Non-Programmable Scientific Calculator

Materials provided : Nil

Examiner(s) : Azila Adros

Chief Moderator : Mashithah Abdullah Bayanoeddin

This paper consists of 3 printed pages, including the cover page

DIPLOMA IN QUANTITY SURVEYING PROGRAMME (DQS)
ECO1141: PRINCIPLES OF ECONOMICS
FINAL ALTERNATIVE ASSESSMENT: JANUARY 2021 SESSION

Instructions: This paper consists of **FOUR (4)** questions and answer **ALL** questions. Each question carries 25 marks.

Question 1

(a) Discuss **TEN (10)** principles of economics. (20 marks)

(b) List **FIVE (5)** examples of microeconomic topics. (5 marks)

Question 2

(a) You may not have realised it, but you probably consider opportunity costs many times a day in your life. List **FIVE (5)** examples of opportunity costs. (5 marks)

(b) Define these terms; (i) land, (ii) capital, (iii) labour, and (iv) entrepreneur and discuss each factors of production in details. (20 marks)

Question 3

(a) Economists often use agricultural markets as an example of perfect competition. The same crops that different farmers grow are largely interchangeable where corn farmers received an average price of RM8.00 per bushel. If a corn farmer who attempted to sell at RM10.00 per bushel, he would not have found any buyers. So, discuss **FOUR (4)** conditions for a perfect competition. (10 marks)

(b) Discuss demand-pull inflation and elaborate the main causes of demand-pull inflation. (10 marks)

- (c) Outline **FIVE (5)** requirements which must exist in creating construction industry's demand.

(5 marks)

Question 4

- (a) The basic identities of the two-sector economy are as under:

$$Y = C$$

Where Y is Income and C is Consumption.

Illustrate and explain a Circular Flow of Income in a Two-Sector Economy.

(15 marks)

- (b) Explain **FIVE (5)** causes of unemployment.

(10 marks)

~THE END~

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