



HERBERT CHITEPO SCHOOL OF LAW & BUSINESS SCIENCES

DEPARTMENT OF ECONOMICS AND FINANCE

BACHELOR OF COMMERCE DEGREE

LEVEL 4 SEMESTER 2

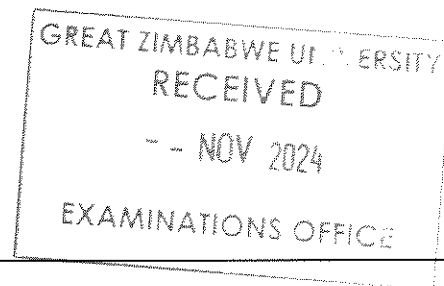
EXAMINATION QUESTION PAPER

MODULE CODE HEC422

MODULE NARRATION INDUSTRIAL ECONOMICS

DATE

DURATION 3 HOURS



INSTRUCTIONS TO CANDIDATES:

1. Answer any **four** (4) questions.
2. All question carry equal marks.
3. Start each answer on a fresh page.
4. Show all workings, where applicable.

QUESTION 1

Describe the Structure – Conduct – Performance (SCP) paradigm using the beer industry of Zimbabwe. Give its advantages and weaknesses as an analytical tool of industrial development.

[Total 25 marks]

QUESTION 2

(a) Discuss the various agents and measures that promote linking, leveraging and learning in technological transfer. **[15 marks]**

(b) Explain the characteristics of a perfectly contestable market. **[10 marks]**

[Total 25 marks]

QUESTION 3

Discuss, giving practical examples, the causes of transactional costs in industrial development in Zimbabwe.

[Total 25 marks]

QUESTION 4

By citing examples where necessary, explain what is meant by the following terms.

(a) Market concentration **[5 marks]**

(b) Networking externalities **[5 marks]**

(c) Innocent barrier **[5 marks]**

(d) Asset specificity **[5 marks]**

(e) Industrial Dynamics **[5 marks]**

[Total 25 marks]

QUESTION 5

(a) Discuss the role of government under the neo-liberal approach to industrialization giving practical Zimbabwean examples. **[10 marks]**

(b) Explain the factors contributing to the limitation of expansion of firms. **[15 marks]**

[Total 25 marks]

END OF EXAMINATION