



PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY
FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF ACCOUNTING, ECONOMICS AND FINANCE

QUALIFICATION: BACHELOR OF ECONOMICS	
QUALIFICATION CODE: 12BECO	LEVEL: 7
COURSE CODE: TEC711S/TEC411S	COURSE NAME: TRANSPORT ECONOMICS
SESSION: NOVEMBER 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION	
EXAMINER(S)	EDEN TATE SHIPANGA
MODERATOR:	ANTHONY ADEYANJU

INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Write clearly and neatly.3. Number the answers clearly.

PERMISSIBLE MATERIALS

1. PEN,
2. PENCIL
3. CALCULATOR

THIS QUESTION PAPER CONSISTS OF 2 PAGES (Including this front page)

QUESTION 1

[Total: 45]

- a. "Transport by itself is not a sufficient condition for development; however, the lack of transport infrastructure can be seen as a constraining factor on development". Broadly discuss the effects of Namibia's transport system on the tourism sector [25 Marks]

- b. Traffic congestion has become a problem these days in the city of Windhoek, leading to lower speed, longer trip times and increased vehicular queuing. Advise the city of Windhoek on the ways and means to address traffic congestion in Windhoek. [20 Marks]

QUESTION 2

[Total: 25]

Use the concept of price elasticity of demand and explain two cases illustrating the effect each has on the revenue of the firm. In each case advise the firm on whether it should increase or decrease the price of its products in order to increase the revenue of the firm

QUESTION 3

[Total: 30]

The government of Namibia is contemplating as to whether it should upgrade the Walvis Bay Harbour. The Minister of Works and Transport believe that doing so will increase trading activity between Namibia and other Countries. Use the supply led view of transport and demand view of transport to evaluate the Minister's proposal and advise the Honourable Minister.