



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF ENGINEERING AND THE BUILT ENVIRONMENT

DEPARTMENT OF LAND AND SPATIAL SCIENCES

QUALIFICATION(S): BACHELOR OF PROPERTY STUDIES DIPLOMA IN PROPERTY STUDIES	
QUALIFICATION(S) CODE: 08BOPS 06DIPS	NQF LEVEL: 6
COURSE CODE: EUR612S	COURSE NAME: ELEMENTS OF URBAN AND RURAL ECONOMICS
EXAMS SESSION: NOVEMBER 2024	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	MR SAMUEL ATO K. HAYFORD
MODERATOR:	MRS ELINA TEODOL

INSTRUCTIONS
1. Read the entire question paper before answering the Questions. 2. Please write clearly and legibly! 3. The question paper contains a total of 5 questions. 4. You must answer <u>ALL QUESTIONS</u>. 5. Make sure your Student Number is on the EXAMINATION BOOK(S).

PERMISSIBLE MATERIALS

1. Non-programmable Scientific Calculator

THIS QUESTION PAPER CONSISTS OF 6 PAGES (Including this front page)

Question 1

For each of the following statements indicate whether it is 'TRUE' or 'FALSE'. Each correct answer carries 1 mark. (23)

- a) By implication the income approach of the Economic (export) based model divides the urban economy into basic and non-basic urban residents and basic and non-basic urban industries.
- b) During post industrial revolution major cause of urban growth was mainly due to both rural urban migration and natural increase.
- c) By the Income (Keynesian) Approach urban growth is explained not in terms of employment but in terms of income.
- d) Within an urban area, accessibility and type of shop correlate with sales turnover.
- e) Shop rents and intensity of development usually diminish outwards from the Central Business District (CBD), all other factors remaining the same.
- f) It could be deduced that there is an inverse relationship between the intensity of land uses, profitability and land values. Land value is therefore the result of discounting expected future net income.
- g) Economic reasons play the most vital and dominant role in household (residential) land use location decisions even though it is equally important that utility is not ignored.
- h) In determining the short-term price/rent level at which urban land is exchanged in the property market, supply forces play a more dominant role than demand factors.
- i) There is an inverse (opposite) relationship between the mobile ability of a worker, his income level as well as the extent of his market in the sense that the more his income earning ability the limited the size of market.

- j) According to Rank-size rule, City A, largest city, with a population of 36,964 is most likely to be a primate city in relation to City B which is the second in the ranking and inhabited by 28,255 people.
 - k) Cities with poor infrastructure, high rate of unemployment, rising traffic congestion and deplorable standard of living of its people is a clear manifestation of over-urbanization.
 - l) The extent to which any urban area grows in size depends on the extent of the market for its economic activities (both internal and external).
 - m) Whilst economic (export) based model examines the pattern of economic activities within an urban area central place theory seeks to answer the question about the distribution of cities, towns and villages throughout a country.
 - n) By the employment approach of urban growth model, the overall additional population to an urban area due to a given increase in employment in the basic sector is the result of a consequential increase in non-basic employment and an overall increase in non-working population.
 - o) Land Rent represents the economic return in the form of gross return that goes to real estate resources for their use in production.
 - p) The advantage of a particular location of urban land for residential use in terms of movement, convenience and amenity are factors that determine the level of profitability.
-
- q) Von Thunen's theory of land rent attributes emergence of rent to differences in fertility of various pieces of agricultural land in a country of scarce fertile lands.
 - r) Under economic based theory of urban growth, non-basic activities involve industries producing goods and services for consumption by the inhabitants of the urban areas only.
 - s) According to the economic base theory of urban growth, non-basic activities are seen as the dominant cause of urban growth.

- t) By the Keynesian model of urban growth, it is the changes in the total income of the urban area (not only simply exports) that results in changes in its level of business activities and employment.
- u) Shortage of space restricts urban growth because lateral as well as vertical growths are impossible in the short term.
- v) Town planning regulations especially greenbelts policy encourages vertical growth of urban area and protect agricultural lands from new developments by law.
- w) According to von Thünen's Least-cost location theory as applied to agricultural land use, transportation costs are so important that it significant effects on (land) rent paying ability and the quantity of products can be sold profitably.

[23]

Question 2

- a) Differentiate between '*Upper limit (Range)*' and '*Lower limit Threshold*' as used by Christaller (1933), in the formulation of Central Place Theory. (3)
- b) Complete the table below by indicating the characteristics and type of centre each of the goods and services are likely to be found by the population in the hinterland according to Christallers central place model? (6)

Name of Goods and Services	Range	Threshold	Type of Centre
2 cartons of Rhode Tomato Paste			
Heart Surgeon			
Samsung Split Air Conditioner			

- c) Based on the quality and variety of goods and services provided describe the following types of centres as identified by Christallers in Central Place Theory. (6)

- i) Windhoek
 - ii) Okongo
- d) Oshikuku city has a population of 60,000. The Basic sector and non-basic sector employ 26,000 and 20,000 respectively. Find the ratio of the following; (2)
- i) Basic employment : non-basic employment
 - ii) Basic employment : total employment
 - iii) Total employment : total population
 - iv) Basic employment : total population
- e) If as a result of increased demand for basic goods, basic employment in Onkani city (as stated in d above) increases by 20%, what would be the effect on total population of Oshikuku. (2)

[20]

Question 3

- a) What is meant by 'land market'? (2)
- b) Government intervention in the property market is necessary to ensure equilibrium in demand for and supply of land. Mention three (3) reasons for this intervention? (5)
- c) Briefly account for any two (2) of the housing problems in developing countries? (6)

[13]

Question 4

To assess the impact of agricultural growth on economic transformation, various metrics and indicators are used.

- a) Briefly highlight any two (2) of the Impacts with respect to increased agricultural productivity. (10)
- b) Briefly account for the effects in the following areas.
- i) Employment Effects (10)
 - ii) Income Levels (10)
 - iii) Food Security (10)
- c) Explain any two (2) benefits of Physical infrastructure for its crucial role in facilitating agricultural productivity and enhancing overall rural development. (4)
- [44]**
-

