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UNIVERSITY



UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
PROCUREMENT AND LOGISTICS MANAGEMENT AND BACHELOR OF
COMMERCE (PROCUREMENT AND LOGISTICS OPTION)**

BPLM 425: TRANSPORT ECONOMICS

STREAMS:

TIME: 2 HOURS

DAY/DATE: TUESDAY 21/09/2021

11.30 A.M. – 1.30 P.M.

Instructions: Answer question one (COMPULSORY) and any other two questions

Question one

- a) Explain 5 reasons why rail transport is unreliable in Kenya. (10 marks)
- b) Explain 5 challenges of a perfect competitive market in the Kenyan transport system. (10 marks)
- c) Enumerate 5 demerits of regulating road transport in Kenya. (10 marks)

Question two

- a) Using examples, explain 5 factors affecting elasticity for air transport in Kenya. (10 marks)
- b) Describe 5 difficulties in marketing the air transport sector. (10 marks)

Question three

- a) Explain 5 negative effects of transport pollution to the economy. (10 marks)
- b) Enumerate 5 consumer factors that affect the choice of transport mode. (10 marks)

Question four

- a) The main function of transport is product movement. Justify this statement using examples. (10 marks)
- b) Explain 5 contributions of transport to the GDP (10 marks)

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