



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

COLLEGE OF LIFELONG LEARNING

EXAMINATION PAPER

COURSE CODE : SFA114
COURSE TITLE : Sport Economics
SPECIAL REQUIREMENTS : None
DURATION : 3 Hours
LEVEL : 1.1
DATE :

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue.
2. Use of silent, non-programmable calculators is allowed.
3. **Answer any FOUR (4) questions.**
4. Begin each question on a new page.
5. The number of marks for each question or part question is shown in brackets []

QUESTION 1

Write short notes on the following economic concepts

- a) Law of demand [5 marks]
- b) Law of supply [5 marks]
- c) Price elasticity of demand [5 marks]
- d) Utility [5 marks]
- e) Indifference curves [5 marks]

QUESTION 2

Explain the importance of analysing elasticities for the sport industry using clear examples. [25 marks]

QUESTION 3

- a) Zimbabwe has not been producing enough sport products over the years. Explain any three (3) factors that affect the supply of sport products in Zimbabwe. [12 marks]
- b) Assume the equation for the demand for soccer balls is $D = 240 - 80P$ and the equation for the supply of soccer balls is $S = 10 + 150P$. Find the equilibrium price and quantity. [8 marks]
- c) With the aid of a diagram, explain the effect of a price floor on quantity demanded. [7 marks]

QUESTION 4

Discuss the importance of the sports sector to the economic development of Zimbabwe. [25 marks]

QUESTION 5

The market does not always work in the way it is intended to and, in some cases, it may fail to efficiently allocate resources. Explain the causes of market failure in the Zimbabwean sport sector. [25 marks]

