



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

DEPARTMENT OF ECONOMICS, MARKETING AND ENTREPRENEURSHIP

EXAMINATION PAPER

MODULE CODE : CPS 213  
MODULE TITLE : TRANSPORT ECONOMICS  
DURATION : 3 Hours  
LEVEL : 2.1  
DATE :

28 JUL 2025

**INSTRUCTIONS TO CANDIDATES:**

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

### Question 1

Mr Elegance is a Zimbabwean entrepreneur and the owner of Elegance Motors. He imports cars from Japan and sells them at low cost in Zimbabwe.

- a. Provide him with advice on the best modes of transportation he can use to get cars from Japan to Zimbabwe providing pros and cons of each chosen mode of transport. [12 marks]
- b. Assess whether price elasticity of demand or cross price elasticity demand would be a key factor in considering the mode of transport. [13 marks]

### Question 2

The transport sector in Zimbabwe is purely managed by the government and not by the private sector.

Evaluate this statement. [25 marks]

### Question 3

Traffic jams in Zimbabwe, especially, during peak times have negatively affected the economic development of the country. Citing relevant examples, suggest strategies that can be adopted by the government to reduce this wastage in economic time.

[25 marks]

### Question 4

Assess the reasons why economists forecast future growth in transport demand.

[25 marks]

### Question 5

Discuss the extent to which a monopoly provider of transport will always increase economic efficiency.

[25 marks]

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