**Answer TWO questions in TOTAL**

**Q1.** a. Describe an investment decision your company/individual made recently. What was the opportunity costs and benefits of that decision? If not, what would you have done differently?

b. Discuss this statement: “Business competition encourages improved product quality and increased customer satisfaction.”

c. Is government participation in our business system good or bad? What factors can be used to explain your position.

d. Choose any two business challenges and describe possible ways in which economics and society could help to solve or eliminate the problem in the future.

**AND**

**Q2.**

1. Discuss absolute advantage and comparative advantage. Which one is more important for trade? Explain your Answers.
2. If two parties trade based on comparative advantage and both gains, in what range must the price of the trade lie?
3. Why do economists oppose policies that restrict trade among nations?

**OR**

**Q3.** Find an article in a recent newspaper or magazine illustrating a change in price or quantity in some market. Analyze the situation using economic reasoning.

* 1. Has there been an increase or decrease in demand? Factors that could shift the demand curve include changes in preferences, changes in income, changes in the price of substitutes or complements, or changes in the number of consumers in the market.
  2. Has there been an increase or decrease in supply? Factors that could shift the supply curve include changes in costs of materials, wages, or other inputs; changes in technology; or changes in the number of firms in the market.
  3. Draw a supply-and-demand graph to explain this change. Be sure to label your graph and clearly indicate which curve shifts.

**Note**

1. Write 6-10 pages typed document 12-inch font double spaced.
2. This paper is due on or before 22 nd July 2023. A 40%- point deduction/penalty will be imposed for late submission of the paper.
3. If any two or three papers look the same i.e., copied from each other: The total marks for the paper will be divided by two, three etc**.**

**Good luck to All!**