



**MAASAI MARA UNIVERSITY**  
**REGULAR UNIVERSITY EXAMINATIONS**  
**2023/2024 ACADEMIC YEAR**  
**SECOND YEAR FIRST SEMESTER**  
**SCHOOL OF TOURISM, AND HOSPITALITY**  
**BACHELOR OF TOURISM MANAGEMENT**  
**COURSE CODE: BTM 2112-1**  
**COURSE TITLE: TOURISM ECONOMICS.**

DATE:

TIME:

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**INSTRUCTIONS TO CANDIDATES**

Answer all questions in **SECTION A** and any other two in **SECTION B**

**SECTION A: (20 MARKS) ANSWER ALL QUESTIONS IN THIS SECTION.**

**QUESTION ONE**

- a. Discuss the functions of labour unions in tourism industry. **(5mks)**
- b. Explain the various determinants of tourism supply. **(5mks)**
- c. Expound on **five** main roles of tourism regulatory bodies in Kenya. **(5mks)**
- d. Elucidate the various challenges of employment faced in tourism sector. **(5mks)**

**SECTION B: (30 MARKS)**

**QUESTION TWO**

- a. Explain five factors that are likely to influence a country's national income. **(7 Marks)**
- b. Bull (1995) posits that large well developed destinations demonstrate the lowest leaking rate. Explain five possible causes of leakage from a tourism destination. **(8 Marks)**

**QUESTION TWO**

- a. Discuss the benefits of Tourism Satellites Accounts (TSA) in tourism Industry. **(7 Marks)**
- b. With the aid of a diagram, explain the effect of a proportionate increase in demand and supply of tourism products on the market equilibrium. **(8 Marks)**

**QUESTION THREE**

- a. Elucidate the differences between Micro-economics and Macro-economics. **(7 Marks)**
- b. Explain the main causes of inflation and recommend possible counter inflationary measures that a government could adopted in addressing each cause. **(8 Marks)**

**QUESTION FOUR**

- a. Critically analyse the importance of tourist statistical data to a country. **(7 Marks)**
- b. Tourism has increasingly become a global phenomenon. Explain five economic benefits associated with the tourism industry. **(8 Marks)**