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MARCH 2022

The Teachers' Resource Unit and the Regional Inspectorate of Pedagogy, in collaboration with the North West Economics Teachers' Association (NOWETA)	SUBJECT CODE NUMBER 0725	PAPER NUMBER 2
GENERAL CERTIFICATE OF EDUCATION AND INTERMEDIATE TECHNICAL AND VOCATIONAL EDUCATION REGIONAL MOCK EXAMINATION	SUBJECT TITLE ECONOMICS	
ADVANCED LEVEL		

Time Allowed: Three Hours
INSTRUCTIONS TO CANDIDATES

Mobile phones are **NOT ALLOWED** in the examination room.

Answer FIVE questions, choosing at least TWO from each section.

All questions carry equal marks.

You are reminded of the necessity for good English and orderly presentation in your answers.

SECTION A

1. (a) Explain the features of a Joint Stock Company. (8 marks)
(b) What advantages has a Joint Stock Company over a partnership? (12 marks)
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2. (a) Distinguish between "increase in quantity supplied" and "increase in supply". (8 marks)
(b) With the aid of diagrams, show the likely effects of an increase in the quantity supplied of potatoes on the supply of carrots for a given farmer. (12 marks)
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3. (a) How are explicit costs different from implicit costs? (8 marks)
(b) Interpret the shape of a long run average cost curve. (12 marks)
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4. (a) What do you understand by economic rent? (4 marks)
(b) Explain how the concept of economic rent applies to all factors of production. (16 marks)

SECTION B

5. (a) Identify the withdrawals and injections in a three sector non-governed economy. (8 marks)
(b) What would be the effect of a balanced budget on the equilibrium income in a three sector governed economy? (12 marks)
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6. (a) What are the negative effects of inflation on the economy of Cameroon? (10 marks)
(b) Describe the measures that could be used to cure cost-push inflation. (10 marks)
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7. (a) Identify the disadvantages of international trade to an economy. (10 marks)
(b) Why should restrictions not be placed on international trade despite its disadvantages? (10 marks)
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8. (a) Differentiate between economic growth and economic development. (4 marks)
(b) Why is economic growth badly needed by a developing economy like Cameroon? (8 marks)
(c) What are the costs of a faster rate of economic growth? (8 marks)