2025 NOWEJA. MOCK G.C.E.

Mark Guides. 0725 A/L Economics.

Paper 1:- MCQs:

Question	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Answer	D	C	A	D	B	B	A	C	A	B	D	C	B	B	D	B	A	D	C	B	A	C	D	D	C

Question	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50
Answer	B	C	A	C	C	B	D	B	A	B	A	B	D	C	C	D	B	A	D	C	D	C	A	D	B

Paper 2. Essays:

Question 1:

1(a) Candidates expected to:
* State the concept of optimum pop- the pop. Size which when combined with other available resources, yields the maximum returns (output) or income per head. Or, the number of people a country can support sustainably. **2 mks**
* Indicate that the optimum pop. is not a fixed number (or static) but changes based on a number of factors as below:
- Changes in the stock of resources:- An increase in the stock of resources may likely increase the size of the optimum pop. (or lead to under pop.) and vice versa.
- Changes in the techniques of production- advancement in technology will likely increase the optimum pop. (or lead to underpop) while rudimentary or degressive technology may reduce it.
- Discovery/exhaustion of raw materials- New resources will increase the size of the optimum pop. while depletion of resources will reduce it.
- Changes in BR/DR- a positive natural growth rate of the pop. will likely reduce the optimum pop. (lead to overpop) while a negative NGR could increase it.
- Changes in efficiency of inputs- the more improved in quality the inputs are, the more likely an increase in optimum pop and vice-versa.
- Social factors- shifts in social values such as family planning practices can influence the optimum pop. level (increase in this case).
- Economic factors - economic growth can affect the carrying capacity of an economy thereby increasing the optimum pop.
- Level of econ. development- the more developed an economy, the more likely the optimum pop. will increase and vice-versa.
etc. **Upto 10 mks for 5 pts well explained.**

(b) Candidates expected to:
* State meanings of partnership and public Limited Company forms of business organisations.
* Identify and explain the documents and procedures necessary to start up a public Ltd or joint Stocks Company.
- Memorandum of Association which contains- name, address of company, goals, liability of shareholders, the number distribution of shares.
- Articles of Association - Set of rules stating how the organisation is to be run internally.
- List of appointed director
- Declaration of fulfilment of all incorporation conditions
- Issuance of certificate of Incorporation by Registrar of Companies.
- Copy of prospectus forwarded to the Registrar of Companies showing how the company has raised its Capital.
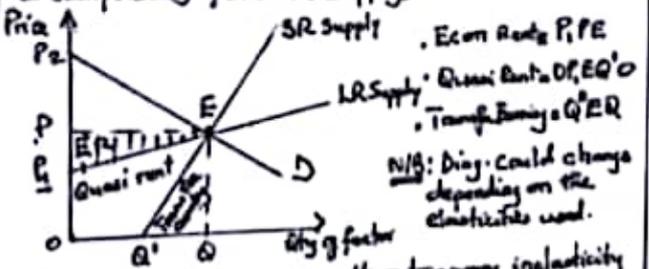- Issuance of Trading Certificate. **Up 10 mks**

ALTERNATIVELY,
Candidates could equally explain the procedure and documents required for the creation of a public Ltd Company under the OHADA Uniform Act.
* Drafting of Articles of Ass. that include- name & acronym of Company, legal status (PLC), address, purpose, share capital, shareholder identities, composition of BOD, their powers & responsibilities including of CEO, types of shares, their transfer restrictions and dividend rights, outlining procedures for fin. statement preparations and auditing.
* Appointment of Manager.
* Business lease agreement and payment (tenancy agreement)
* Notarial statement of regularity of subscription and registration.
- Art. of Ass drafted by a Notary Public
- Registration with the Register of Trade.
- Obtention of Company Registration Certificate.

Question 4:

4a) ... both Concepts:

- Econ. rent is a payment to a factor of production over and above what the minimum that is necessary to keep that factor in its present activity (transfer earning), while quasi rent is the excess of TR earned in the SR over and above TVC (or earnings by any factor which is temporarily fixed in supply).

[Diagram: Price vs Qty of factor, showing SR Supply, LR Supply, point E, D curve]

- Econ Rent = P₁PE
- Quasi Rent = DEEQ'O
- Transfer Earning = Q'ER

N/B: Diag. could change depending on the elasticities used.

→ Quasi rent arises as a result of temporary inelasticity of supply, while economic rent arises because of the inelasticity of supply of a factor of production.

Upto 5 mks: diag 4 mks of Explanation

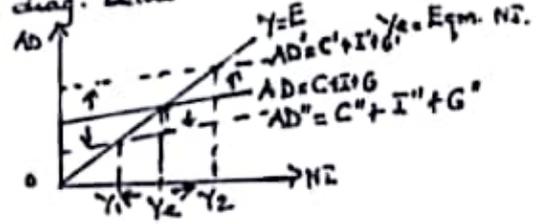**4b)** Candidates expected to explain the factors that will likely increase the d/d for labour:
- An increase in d/d for the firm's product since the d/d for labour is derived from the d/d for its product.
- A rise in the price of substitute inputs such as capital will lead to more labour being used.
- A fall in price of a complementary input.
- Technological advancement that increases the efficiency of labour.
- Higher labour productivity (marginal productivity of labour).
- Increased profitability for firms.
- Econ. growth leading to higher production needs.
- Govt policies promoting employment.
- An increase in the number of firms.
- Discovery of new markets (expansion of operations requiring more workers).
- Increased price of the product.

12mks for 6pts well explained

Question 5:

5a) Candidates expected to explain equ. NI in a 3-Sector economy (with households, firms and govt as agents) with a diag. using either the W/J or Income/Expenditure approach. Equilibrium is a situation that manifests (no tendency for change).

→ Using the income/expenditure approach, equilibrium NI occurs in this economy when AD (aggregate desired expenditure) equals income (Y = E), where the components for total expenditure in this economy include Consumer exp (C), investment exp (I) and govt spending (G)

∴ Eqm. NI occurs where $\boxed{Y = C + I + G}$ as shown in the diag. below.

[Diagram: AD vs NI, with Y=E line, AD'=C'+I'+G', AD=C+I+G, AD"=C"+I"+G", points at Y₁ Yₑ Y₂]

→ Explain where this eqm NI may change. changes in the components of AD.

- If the components of AD rise, e.g. toAD' the AD function rises to AD' as in the diag. above. This raises the eqm. NI from Yₑ to Y₂.
- If the components of AD fall (fall in I, fall in I & G) this will shift the AD function downwards to AD" as in the diag. above, thereby reducing the eqm. NI from Yₑ to Y₁.
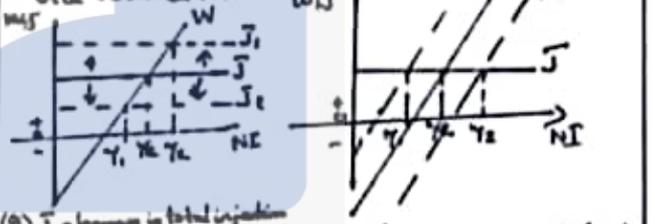
N/B: Candidates may use separate diags. or one diag.

- Expl. of Initial eqm (Yₑ) Diag
- Expl. of change in eqm NI (Y₁, & Y₂) Illustration.
- If one diag. used for the 3 cases, mark diag on

ALTERNATIVELY, candidate could use the W/J approach:

→ NI is in eqm, when sum of withdrawals (ΣW) equals sum of injections (ΣJ) ie Yₑ ⟹ ΣW = ΣJ ie Yₑ ⟹ (S+T) = (I+G) as shown in the diag. below.

[Diagram: ΣW/ΣJ vs NI, showing ΣW = S+T and ΣS = I+G lines crossing at Yₑ]

→ Explain how the eqm NI, Yₑ, may change if changes occur with the components of W and J.
- eqm. NI will increase from Yₑ to Y₂ if ΣJ > ΣW and vice versa, and fall to Y₁ if ΣW > ΣJ and vice versa in total in

[Diagrams: W/J vs NI with W, J, J₁, J₂ lines; and W₁ W W₂ J lines with Y₁ Yₑ Y₂]

(a) J₁ = Increase in total injection
  J₂ = Fall in total injection
  - Withdrawals remain constant

(b) W₁ = increase in withdrawals
  W₂ = fall in withdrawals
  - Injections remain constant

5b) Candidates to identify and explain various factors that can increase household savings in Cameroon:
- Fall in Consumer Spending.
- Increase in govt spending.
- When there are greater investment prospects (rise in I).
- Reduced tax rates.
- Positive change in saving culture.
- High incomes.
- High interest rates.
- Availability of quality and reliable financial institutions.
- Low rate of inflation.
- Political stability.
- Ageing of the population.
- Optimism about future state of the economy.
- Govt policy (Income tax concessions, etc) etc.

⇒ Publication and Administrative procedures
- Publication of legal notices on formation of company in official gazette.
- Taxation registration and obtention of a tax identification number.
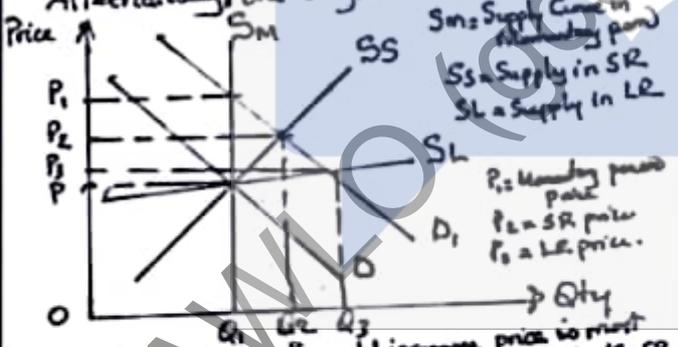- Opening of a Corporate Bank account.

Up to 10 mks

Question 2:

2(a). Candidates expected to show how the extent of an increase in dd on price depends on the time period — momentary period, SR or LR, using 3 separate diagrams or one diagram.

⇒ Momentary Period — period during which SS is restricted to the quantities available in the mkt. An increase in dd in such a situation will cause price to rise by the full extent of the increase in dd.

(a) Momentary Period (b) SR Period (c) LR Period.
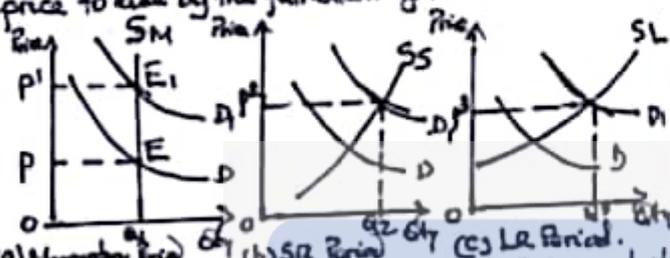
- In diagram (a), Momentary period, price rises by PP', equivalent to the rise in dd EE₁.
- In the SR period, SS can be varied by adjusting the variable factor(s). In diagram (b), price falls from the momentary high price of P' to P2 as there is an expansion of SS.
- LR period — the period when the scale of production (all factors) are changed. In response to the increase in dd, firms increase all factors and increase production such that price falls from P2 in SR period to P3.
Alternatively, one diagram can be used as below:

SS₀: Supply Curve in Momentary period
SS: Supply in SR
SL: Supply in LR
P₁: Momentary period price
P₂: SR price
P₃: LR price.

⇒ Conclusion: Therefore, when dd increases, price is most affected in the momentary period, rises lesser in the SR and rises least in the LR. SS is perfectly inelastic in the momentary period, more elastic in the SR and most elastic in the LR.

Diags - 6mks
Explanation 6mks

2(b) An increase in PES for goods means that supply increases proportionately more than the increase in price. This will occur when:
- There are storage facilities or stocks available.
- Firms have surplus or excess capacity.
- There are no barriers to entry into the industry.
- Firms are subject to relatively small increases in AC as output increases.
- There is factor mobility (Ease of switching production)
- Entrepreneurs are more willing to take risks.
- There is technological advancement.
- Shorter training period. · Shorter length of prod. period.
· Increase in no. of producers.

8 mks for 4 pts.

Question 3:

3(a) Candidates were expected to:
- State what competitive mkts are — Mkts in which the no. of sellers and buyers is very large, dealing in a homogeneous product, with no artificial restrictions into the mkt and with all mkt dealers having perfect knowledge of the mkt at a time.
- Advance the following reasons why such mkts are desirable:
- They are allocatively efficient (producing where P=MC). This ensures that resources are used to produce the optimal qty that best meets the needs of the society.
- They are also productively efficient (producing at the lowest possible cost per unit) which, besides their own benefits such as increased profitability, enables buyers acquire the goods at lower prices thereby increasing their standards of living.
- They pronhance consumer welfare by charging lower prices (P=MC)
- There is perfect knowledge for both consumers and producers who are fully informed about the mkt conditions who cannot be deceived.
- Perfect factor mobility enables firms wishing to expand output to do so with ease and also enables maximum utilisation of society's resources.
- Free entry and exit enables firms to switch resources to where suitable for them without any barriers and costs.
- Better quality goods are produced due to competition amongst firms.
- They promote econ. growth by producing at the lowest unit cost.
- Monopolies and their attendant ills are discouraged. Consumers have power over producers, as they can easily find substitutes and choose from a variety.
- No or low advertising costs curb firms' expenses.
- Greater incentives for firms to innovate which benefits consumers, etc.

Up to 10 mks for 5 pts well explained.

2(b) Candidates expected to:
- State the meanings of oligopoly and monopolistic competitive.
- Explain the following distinctions between the two mkt. forms:
- Many firms compete in monopolistic competition unlike a few in perfect competition.
- Monopolistic competitive firms earn only normal profits in the LR while the ability of oligopolist to exclude competitors allows them earn abnormal profits in the LR.
- In monopolistic competition, low unofficial barriers to enter and leave the ind; whereas there are serious barriers in oligopolistic mkts.
- The actions of one firm have little impact on its competitors in monopolistic competition unlike in oligopoly mkt where the actions of one firm can have significant effect on its competitors.
- Huge advertising expenses are associated with oligopolistic mkts but to a lesser degree in monopolistic competition.
- While firms in monopolistic competition produce differentiated products, the output of firms in oligopoly can be homogeneous in case of perfect oligopoly.
- In monopolistic comp, firms have individual mkt prices but in oligopoly, firms have combined mkt prices due to formal collusion.

Up to 10 mks for 5 pts

Question 6:

6(a) ...expected to explain how inflation tends to favour some and disfavour others in the distribution of income and wealth.

- It favours borrowers at the detriment of lenders (creditors), given that at the time the money is being refunded the value of money would have fallen.
- It favours foreign producers, in countries with lower inflation rates at the detriment of domestic producers with higher inflation rate. DD will consequently be switched from domestic to foreign products.
- It penalises tax payers in favour of govt if fiscal drag occurs. Income earners experience high nominal incomes and rise to higher tax brackets with higher tax liabilities, meanwhile, their real incomes have rather fallen.
- Savers lose in favour of borrowers as the value of money has fallen with a given amount of money saved unable to be worth what it was in other words previously.
- It redistributes income in favour of shareholders and businessmen (whose earnings are not fixed) at the expense of workers (fixed income earners).
- It disfavours workers in weak trade unions with lower wage bargaining strength in favour of those in stronger trade unions who can easily negotiate a wage increase to compensate for the fall in the value of money.
- It redistributes money from the poor consumers to the affluent business class as the firmers have to spend proportionately more of their meagre income to buy from companies owned by the rich.
- It distributes money from holders of the national debt to the govt.

[8 mks for 4 pts well explained]

6(b) Candidates expected to discuss how BEAC which is the Central Bank of CEMAC Region, can use contractionary (tight) monetary policy to restrict the ability of commercial banks in this region to create money for commercial bks.

- Raising the cash ratio (reducing base money) for commercial bks.
- Requesting for more special (frozen) deposits from commercial bks.
- Through funding, thus reducing the liquidity of bks.
- Selling govt bonds in the open mkt.
- Through moral suasion, requesting commercial bks to limit lending (tighten their lending policies).
- Raising the rate of interest (bank rate or MLR)
- Through qualitative controls (directing banks to restrict lending for consumption in favour of lending for production)
- Increase the liquid assets ratio requirement. etc.

[12 mks for 6 pts well explained]

Question 7:

7(a) Candidates expected to explain meaning of national debt – the stock of outstanding borrowing by the Central Govt pending repayment. It can be internal or external:
- internal when it is owed to persons and firms (institutions) within the country.
- External when it is owed to foreign lenders (govts, institutions, etc) who have to be paid in foreign currencies.

[4 mks]

* Explain the following reasons why the govt borrows:
- To finance (fund) major projects.
- To cover or finance budget deficits.
- For emergency disaster management (floods, landslides, epidemics, etc).
- To service borrowing debts (repay capital & interest) due repayment.
- To boost the economy (investments, subsidies etc).
- To help govt access more foreign exchange which can help them import capital goods etc.

[Upto 6 mks for 3 pts]

7(b) Candidates expected to:
- Define automatic stabilisers - fiscal weapons which automatically boost the economy during a recession and dampen it in times of an expansion. In otherwords, they are features structured in an economy that tend to limit economic fluctuations without any direct govt intervention. [2 MKS]
* Use some concrete examples to explain how they function in an economy during a boom-boom situation. They automatically cool off a boom and even fight inflation by reducing govt spending (ushering in the downward multiplier effects) and increasing govt revenue from taxation (equally setting the tax multiplier).

Examples: (any two)
- Progressive taxes - they are structured in such a way that when incomes rise during a boom, workers rise to higher tax bands (brackets). This increases their tax liabilities and they pay higher taxes than previously. This slows down AD than would have been the case without them thereby cooling off the inflationary tendencies.
→ Corporate taxes:- during a boom, companies generally realise more profits and consequently pay higher corporate taxes thereby slowing down the growth in AD.
→ VAT- during a boom, incomes rise and spending increases, causing the govt to collect more VAT thereby slowing down the expansion of the economy.
→ Unemployment benefits - During a boom, many people (previously unemployed) pick up jobs and lose their rights to unemployment benefit. This causes govt to spend less on unemployment, orchestrating the negative transfer payment multiplier thereby dampening the economy.
→ Food stamps- In some countries, when people lose jobs, they are entitled to or have low incomes, they are entitled to some basic nutrition assistance. During a boom, incomes rise and people pick up jobs. This reduces the number of people eligible for such assistance thereby reducing govt spending and slowing down the growth in AD.
→ Medicaid – Some countries run healthcare programmes to assist low-income individuals and families have access to healthcare. When incomes rise during a boom, many individuals and families are no longer eligible to such healthcare. This reduces govt spending and the expansion in AD. etc.

[8 mks for any 2 examples well explained.]

Question 8:

8(a) ... to eliminate a large surplus on the current acc. of the BOP because it:

- has an opportunity cost in terms of foreign higher standards of living.
- is likely to increase the ss of money which may cause inflation.
- may make the country unpopular with countries in deficit.
- may attract hot money which may lead to currency appreciation and the attendant ills.
- may result in negative income effect (reducing the ability of trading partners to buy)
- may result to trade wars and retaliation from trading partners.
- Exports may be rendered less competitive following an inflationary situation and possible exchange rate appreciation.
- It represents an injection into the economy and may cause dd-pull inflation which cause the govt to curb it.
- It can lead to excessive taxation.
- Reduced econ. growth in the LR when inflation sets and the lack of the multiplier effect from govt spending.
- Over-indebtedness as the country may receive too much foreign capital on terms that they are not sustainable. etc. [Up to 10mks for 5pts well explained]

ALTERNATIVELY, a candidate may tackle this question from the angle of the govt avoiding a surplus to combat the negative effects of BOP surplus thus:

- To improve on the SOL of the inhabitants.
- To avoid negative income effect.
- To avoid retaliation from deficit nations.
- To reduce inflationary pressures.
- To avoid attracting hot money which may lead to currency appreciation.
- To avoid wasting non-competitiveness of exports as a result of inflationary pressures and currency appreciation.
- To avoid fast depletion of natural resources etc. [Mark same as above.]

8(b) The demerits of import restriction include:

- It reduces variety and consumer choice.
- It reduces competition.
- It may provoke retaliation.
- It creates shortages.
- Higher prices in protected countries.
- Redistribution of income in favour of the protected countries.
- It reduces output and productivity.
- It reduces the size of the market.
- It may lead to inefficiency due to reduced competition.
- Economic isolation.
- Higher unemployment.
- Encourages smuggling.
- It may create trade wars and other frictions between trading partners.
- They can misallocate resources.
- Can increase domestic inefficiency.
- It can cause ToT effect by benefitting the country imposing restriction but harming the country restriction. [Up to 10mks for 5pts well explained]

PAPER 3: DATA RESPONSE

Question 1:

(a) Scarcity. (2mks)

→ Scarcity refers to the state of resources being insufficient to satisfy all of people's wants.
Or a situation where resources are ltd in ss in respect to the unlimited wants.
Or a scarce resource is one for which the demand at a zero price would exceed its available supply. (2mks)

(b) They are:

- Scarce.
- Have an opp. cost.
- have utility. (2mks for any 2pts
- transferable. Consider only the
- Have a price. first 2 pts if more are given)

(c) Choice is a necessary concept because due to scarcity (extch ltd resources relative to human wants) or due to insufficiency of resources. (2mk)

(d)(i) PPC is a curve that shows the maximum combination of two goods an economy can produce in a given time period with its available resources and technology.
Or: It shows, for each level of output of one good, the maximum amount of the other good that can be produced.

(ii) Given stock of resources fixed in qnty and qly.

- Fixed state of technology.
- Efficient utilisation of resources.
- Full utilisation of technology. (1mk x 3pts.
- Perfect mobility of factors. Consider only
- Substituability of resources at. 1st 3 pts if
- Time factor remains unchanged. more given)
- The economy is operating at full employment.

(e)
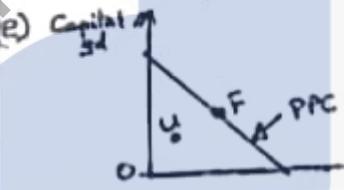
N/B: Axes can be interchanged (5mks for a well labelled diag.)

Question 2:

(a) A: $(3 \times 200) + (4 \times 300) + (4 \times 500) + (1 \times 100) = 49,000$ FCFA
B: $(18 \times 200) + (3 \times 300) + (2 \times 500) + (1 \times 100) = 46,000$ FCFA
C: $(10 \times 200) + (3 \times 300) + (4 \times 500) + (1 \times 100) = 50,000$ FCFA (Working = 3 mks)

Answer: Method B because it is the least cost method (2 mks. Reason not required)

(b) $TR = 5,000 \times 1,000 = 5,000,000$ FCFA.
$TC = 46,000$ FCFA.
Econ. Profit $= TR - TC = 5,000,000 - 46,000$ (Working 3mks)
(returns to variable pptn) $= 4,954,000$ FCFA (Ans: 1mk)

(c) It states that when increasing quantities of a variable factor are added to a fixed quantity of another factor, the MP will first increase after which it falls, whereas returns to scale is the rate at which output changes as all inputs change in quantity.

- Returns to variable proportions is a SR concept while returns to scale is a LR phenomenon. (3 mks).

(d) • Ploughing back (reinvesting profits).
• Engaging unusual depreciation funds.
• Using past savings.
• Increasing efficiency.
• Increasing the number of employees.
• Increasing sizes of management and control structures.
• Entering new markets.
• Improving marketing strategies and efforts.
• Innovation (investing in research and dept.), etc.

(1mk × 3pts)
(consider 1st 3pts)

(e) • They create employment.
• Their existence may step up competition and reduce prices.
• They may be more innovative as they adapt more to the customers' needs.
• They are more flexible.
• High morale and lower chances of industrial action.
• Quicker decision-making.
• Personalised customer service (customer focus).
• Community involvement.
• Flexible working hours for workers.
• Easy to set up.
• Niche market targeting which bring about specialisation.
• Lower overhead costs.
• Independence.
• Passion-driven - owners can often pursue their interests and passions through their business.
• Equity building that can be sold or bequeathed.

(1mk × 4pts)
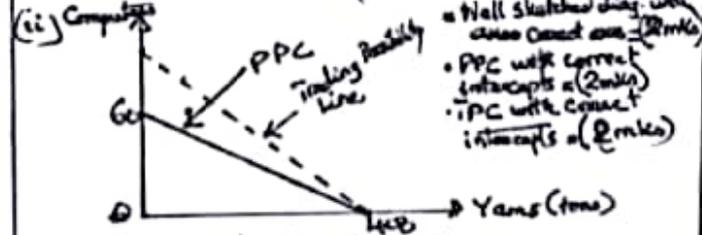(consider only 1st 4pts)

Question 3:

(a) The ability of one country to produce more output than its trading partner. (2mks)

(b) • Only 2 countries are trading.
• Only two goods are produced.
• No barriers to trade (free trade).
• Perfect mobility of resources.
• No transport costs involved in trading.
• Constant level of technology.
• Equal quantity of resources available to both countries.

(c) Production possibilities for Countries A and B

	Computers (000 units)	Yams (tons)	Opp. Cost Ratios
Country A	—	80	1 ton of Yams = 0.15 Computers. ∴ 400 tons of Yams = 400 × 0.15 Comp. = 60 Computers
Country B	400	—	1 Computer = 2.5 tons of Yams ∴ 400 Comp = 400 × 2.5 Yams = 200 tons of Yams

Of the above information can be represented in table below.

	Country A	Country B	
Computers (000 units)	60	80	(2mks)
Yams (tons)	400	200	(2mks)

(d)(i) 1 ton of Yams = 0.2 Computers
∴ 400 tons of Yams = (400 × 0.2) = 80,000 Computers
(Working = 1mk & Ans = 1mk)

(ii)

• Well sketched diag. with axes correct etc (2mks)
• PPC with correct intercepts = (2mks)
• TPC with correct intercepts = (2mks)

(e) Bilateral trade. (2mks)

Question 4:

GDP for each of them using the formula,

$$\text{Real GDP} = \frac{\text{Nominal GDP} \times \text{Base Yr. Price Index}}{\text{Current Yr. Price Index}}$$

This will give the values in column 4 below.

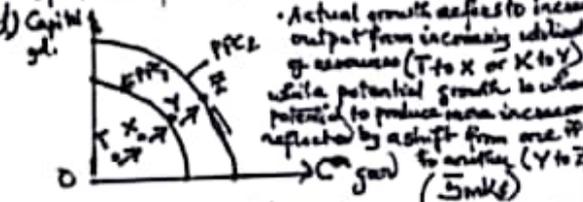|	Nominal GDP (Billion FCFA)	Price Index	Real GDP (Billion FCFA)	
2021	104	121	85.9	(2mks)
2022	56	91	62	(2mks)
2023	91	100	91	(2mks)

N.B: Calculations can be done without table for each year.

(a) • Year 2023 (1mk)
• Reason: Because it has the price index of 100 signifying that prices were most stable that year. (1mk)

(c) • Cost of living increased as price index increased from 91 to 100 meaning higher prices. (2mks)
• SOL dropped as fewer goods could be acquired with same amount. (2mks)

(d) • Different patterns of consumption for different families that deviate from the average family.
• Problem of weighting.
• It does not account for taxes & subsidies.
• Changes in designs and qualities that affect prices not reflected.
• Dynamic patterns of consumer spending.
• Difficulty of choosing a base year, etc.

(4mks for any)

(f) • Budget deficit (increased govt spending even in time).
• Pursuing econ. growth at full employment.
• Attempt to achieve BOP surplus.
• War time situation.
• Expansionary monetary policy.
• Inflation expectations (rising).
• Increased exports, etc.

(1mk for any 1st 2 pts)

(g) • Quantity theory of money (MV=PT).
• Consumer Price Index.
• Producer Price Index.
• GDP Deflator.

(2mks for any one)

Question 5:

(a) Econ growth is an increase in the productive capacity (or increase in real GDP) over time, while econ. devpt refers to econ growth plus other qualitative and structural changes that informs in Soc...

(b) • Insufficient financial capital
• Low literacy rate
• Inadequate infrastructure
• Non conducive customs and traditions.
• Social unrest/political instability.
• Overdependence on developed economies.
• Inadequate human capital

• Poverty
• Poor health facilities
• Low level of technology.
• Increasingly dependent pop.
• Corruption.
• High levels of inequality etc.

(1mk × 4pts)

(c) • Interest rate.
• Govt spending.
• Exchange rate.
• Reserve requirements.
• Open Mkt operations.
• Grants/subsidies.
• Taxes.
• Incomes policies.
• Supply-side policies etc.

(1mk × 4pts)

(d)

• Actual growth refers to increase in output from increasing utilisation of resources (T to X or K to Y) while potential growth is when potential to produce more increases reflected by a shift from one PP to another (Y to Z)

(5mks)

(e) • Real income per capita.
• Real GDP.
• Measurable economic welfare.
• Rate of inflation.
• Consumer durables per head.
• Mortality rate.
• Time taken to earn income.
• Trade openness.
• Proportion of labour force employed in different sectors.
• Doctor-patient ratio.

• Social infrastructure.
• Teacher-student ratio rate.

(1mk × 3pts)