



MINISTERE DES ENSEIGNEMENTS
 SECONDAIRES
 REGION DU CENTRE

MINISTRY OF SECONDARY
 EDUCATION
 CENTRE REGION

CASPA-INTER-REGIONAL MOCK EXAMINATION-CASPA-IRMEX BOARD	SUBJECT CODE NUMBER 0525	PAPER NUMBER 2
	SUBJECT TITLE : ECONOMICS	
CANDIDATE NAME: CANDIDATE NUMBER: CENTRE NUMBER:		
ORDINARY LEVEL	DATE: March 2025	

Time Allowed: TWO AND A HALF HOUR

INSTRUCTIONS TO CANDIDATES

Answer any FIVE questions. Only the first five questions answered will be marked. You are reminded about the orderly presentation of your work.

Non-programmable calculators are allowed.

1. a) Define the following concepts as used in economics

- i) Division of labour
- ii) Efficiency of labour
- iii) Economies of scale
- iv) Cost of production

(4 x 2marks = 8marks)

b) Explain **four (4)** functions of an entrepreneur as a factor of production

(8marks)

c) Identify the types of economic systems represented by the statements below;

i) An economic system where the fundamental economic problems are solved by the forces of demand and supply

ii) An economy where trade by barter is the ideal form of exchange

iii) An economic system where the state checks and control the production of goods by private individuals

iv) An economic system where the decisions of what, where, how and for whom to produce is taken by a central planning authority

(4 x 1mark = 4marks)

2. a) State and explain **five (5)** differences between commercial banks and central bank

(10 marks)

b) State and explain **three (3)** functions of BEAC

(6marks)

c) Explain **two (2)** functions of a legal tender like FCFA

(4 marks)

3. a) State and explain **four (4)** uses of national income figures

(8marks)

b) State and explain the **three (3)** methods used in measuring national income

(6marks)

c) Briefly explain the following

i) Trade cycle

ii) Economic growth

iii) Gross national product

(3 x 2 marks = 6marks)

5. a) List **four (4)** first aid measures used by the government to solve a balance of payment deficit (4marks)

b) State and explain **four (4)** distinctions between domestic trade and foreign trade

(8 marks)

c) Differentiate between the following

i) Balance of trade and balance of payment

ii) Currency appreciation and revaluation of currency

(2 x 4marks = 8marks)

4. The table below shows the demand and supply schedule for bags of rice in the yaounde central market

Quantity demanded (bags)	Price (FCFA)	Quantity supplied (bags)
200	8000	120
180	10000	140
160	12000	160
140	14000	200
120	16000	220

a) From the table above, what is the equilibrium price and why? (2marks)

b) Calculate the price elasticity of supply when price changes of 8000FCFA to 16000FCFA (4marks)

c) Outline **two (2)** factors that will cause an increase in the market supply of bags of rice in the Yaoundé central market (2marks)

d) State and sketch on separate diagrams the following

i) The first law of demand and supply

ii) The second law of demand and supply

iii) The third law of demand and supply (3 x 4marks = 12marks)

6. The capital structure of M and B company ltd in 2023 is as follows

- 1000 debentures of 5000 FCFA each at 5%

- 10000 preference shares of 1000 FCFA each at 10%

- 20000 ordinary shares of 5000 FCFA each

a) i) calculate the percentage of owners capital on the authorized capital (4marks)

ii) Calculate the amount of interest received by debenture holders (2marks)

iii) Calculate the amount of dividend received by preference shareholders (2marks)

b) State and explain **three (3)** importance of agriculture to the economy of Cameroon (6marks)

c) State and explain **three (3)** problems that slows down the growth of industrialization in Cameroon (6marks)

7. a) Define the following terms

i) Population census

ii) Optimum population

iii) Ageing population

- iv) Rural exodus (4 x 2marks = 8 marks)
- b) State and explain **three (3)** reasons for the declining death rate in Cameroon. (6 marks)
- c) State and explain **three (3)** negative consequences of unemployment in an economy (6marks)
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8. a) State and explain **four (4)** sources of government revenue to the state of Cameroon. (8marks)
- b) Briefly explain the following
- i) Budget surplus
- ii) Physical policy
- iii) Fiscal policy (3 x 2marks = 6marks)
- c) State and explain **three (3)** reasons for the growth of firms (6marks)
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END. GO BACK AND CHECK YOUR WORK

