| REPUBLIQUE DU CAMEROUN | REPUBLIC OF CAMEROON | | | |
|--|------------------------------------|--------|--|--|
| PAIX – TRAVAIL – PATRIE | PEACE – WORK – FATHERLAND | | | |
| MINISTERE DES ENSEIGNEMENTS SECONDAIRES | MINISTRY OF SECONDARY EDUCATION | | | |
| REGION DU CENTRE | CENTRE REGION | | | |
| | | PAPER | | |
| CASPA-INTER-REGIONAL MOCK | SUBJECT CODE | NUMBER | | |
| EXAMINATION-CASPA-IRMEX BOARD | NUMBER 0525 | 2 | | |
| CANDIDATE NAME: CANDIDATE NUMBER: CENTRE NUMBER: | SUBJECT TITLE : ECONOMICS | | | |
| 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
- b) Explain four (4) functions of an entrepreneur as a factor of production
- 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 (4×1) mark = 4 marks)

| 2. | a) State and explain five (5) differences between commercial banks and central b | bank (10 marks) | | |
|--|--|---|--|--|
| b) State and explain three (3) functions of BEAC | | | | |
| 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)] | Frade cycle | | | |
| ii) | Economic growth | | | |
| iii) | Gross national product | $(3 \times 2 \text{ marks} = 6 \text{marks})$ | | |
| 5. : | a) List four (4) first aid measures used by the government to solve a balance of pa | ayment deficit (4marks) | | |
| b) | State and explain four (4) distinctions between domestic trade and foreign trade | (8 marks) | | |
| c)] | Differentiate between the following | | | |
| i) I | Balance of trade and balance of payment | | | |
| ii) | Currency appreciation and revaluation of currency | (2 x 4 marks = 8 marks) | | |

(4 x 2 marks = 8 marks)

(8marks)

| 180 | 10000 | 140 | | | | | |
|---|----------------------------------|----------------------------|----------------------------|--|--|--|--|
| 160 | 12000 | 160 | | | | | |
| 140 | 14000 | 200 | | | | | |
| 120 | 16000 | 220 | | | | | |
| | | | | | | | |
| a) From the table above, what is the equilibrium price and why? | | | | | | | |
| b) Calculate the price elasticity o | f supply when price changes of | 8000FCFA to 16000FC | FA (4marks) | | | | |
| c) Outline two (2) factors that wi central market | ll cause an increase in the mark | xet supply of bags of rice | in the Yaoundé (2marks) | | | | |
| d) State and sketch on separate diagrams the following | | | | | | | |
| i) The first law of demand and su | pply | | | | | | |
| ii) The second law of demand and | d 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 fo | ollows | | | | | |
| - 1000 debentures of 5000 FCFA | each at 5% | | | | | | |
| - 10000 preference shares of 100 | 0 FCFA each at 10% | | | | | | |
| - 20000 ordinary shares of 5000 | FCFA each | | | | | | |
| a) i) calculate the percentage of c | owners capital on the authorized | d capital | (4marks) | | | | |
| ii) Calculate the amount of intere | st received by debenture holde | rs | (2marks) | | | | |
| iii) Calculate the amount of divid | lend received by preference sha | reholders | (2marks) | | | | |
| b) State and explain three (3) im | portance of agriculture to the e | conomy of Cameroon | (6marks) | | | | |
| | | | | | | | |

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

Quantity supplied (bags)

120

Price (FCFA)

8000

Quantity demanded (bags)

200

- 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 econom | ny (6marks) |
| | |
| 8. a) State and explain four (4) sources of government revenue to the state of Camero | oon. (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) |

END. GO BACK AND CHECK YOUR WORK