GENERAL CERTIFICATE OF EDUCATION BOARD

General Certificate of Education Examination

JUNE 2025

ORDINARY LEVEL

Subject Title Disc. 16 Education	Economics	Aut to serticity and are a serious or a serious
Subject Code No.	0525	Markeling constitue
Paper No.	Paper 2	to be in braining of

Duration: Two and a Half Hours

You are required to answer ANY FIVE questions. ONLY THE FIRST FIVE QUESTIONS ANSWERED WILL BE MARKED.

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State and capitain FOL K (4) reasons for rederestation.

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All the questions carry equal marks.

Calculators are Allowed

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

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1,	(a)	Define the following terms:	efine the following terms:			
		(i) Integration of firms,	(2 marks)			
		(ii) External economies of scale,	(2 marks)			
		(iii) Efficiency of labour,	(2 marks)			
		(iv) Indirect production,	(2 marks)			
	(b)	b) The following are examples of internal and external economies of scale;				
		Marketing economies,				
		Organised market,				
Tar Selection	e invo	Financial economies,	Andrew Committee			
		Ancillary services,				
		Risk bearing economies,				
	27	Technical economies,				
		Classify the following examples into internal and external economies of scale.	(6 marks)			
	(e)	State and explain THREE (3) advantages of horizontal integration.	(6 marks)			
2,	(a)	Define the following	La La la la Co			
		· (i) Exports,	(2 marks)			
		(ii) Exchange rate,	(2 marks)			
10 m W 10 m	and the second	(iii) Currency appreciation,	(2 marks)			
		(iv) Terms of trade.	(2 marks)			
	(b)	(b) The following are examples of tangible and intangible items of the current account:				
		- Timber - Dividends				
		- Insurance - Interest				
		- Aviation - Cotton				
		- Banana - Cocoa				
		Attempt a classification of the above into visible and invisible items.	(4 marks)			
	(c)	(c) State and explain FOUR (4) reasons for trade restriction.				
3,	(a)	Define the following:	The second rate with the secon			
		(i) Budget surplus,	(2 marks)			
		(ii) Debt servicing,	(2 marks)			
		(iii) Tax base,	(2 marks)			
		(iv) Regressive tax.	(2 marks)			
	(b)	Distinguish between the following concepts:	W.			
		(i) Tax impact and tax incidence,	(4 marks)			
		(ii) Dead weight debt and reproductive debt.	(4 marks)			
	(e)	State and explain TWO (2) effects of taxation to the economy.	(4 marks)			
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(b)	Given the economy of your Country, what will be the nature of price elasticity of demand in relative following goods? (i) Electricity, (ii) Biscuit, (iii) Pipe born water, (iv) Salt. State the corresponding words to the following:	(2 marks) (2 marks) (2 marks) (2 marks)				
(b)	(i) Electricity, (ii) Biscuit, (iii) Pipe born water, (iv) Salt.	(2 marks)				
(b)	(iii) Pipe born water, (iv) Salt.	(2 marks)				
(b)	(iv) Salt.					
(b)		(2 marks)				
(b)	State the corresponding words to the following:	(= mains)				
	(i) Price set below the equilibrium price.	(2 marks)				
	(ii) Price set above the equilibrium price.	(2 marks)				
	(iii) A condition in which quantity demanded is equal to quantity supplied.	(2 marks)				
c)	State and explain THREE (3) uses of price elasticity of demand to the producer (businessman).	(6 marks)				
a)	Define the following:	-0				
	(i) Privatisation;	(2 marks)				
	(ii) Limited liability,	(2 marks)				
	(iii) Deed of partnership,	(2 marks)				
	(iv) Prospectus,	(2 marks)				
(b)	"ALPHA and OMEGA" is a company created to produce animal feed, The capital raised throug	gh the sale				
	of securities is as follows:					
	100 5% preference shares at 1000 frs each,					
	50 10% debentures at 5000frs each,					
	200 ordinary shares at 2000frs each,					
	(i) Calculate the total capital raised through the sale of the above mentioned securities,	(6 marks)				
	(ii) Explain THREE (3) differences between debentures and shares,	(6 marks)				
1)	Define the following:					
	(i) Mode,	(2 marks)				
	(ii) Scarcity,	(2 marks)				
	(iii) Utility,	(2 marks)				
	(iv) Consumer sovereignty,	(2 marks)				
)	(i) State and explain THREE (3) advantages of a market economy	(6 marks)				
	3	100 5% preference shares at 1000frs each, 50 10% debentures at 5000frs each, 200 ordinary shares at 2000frs each, (i) Calculate the total capital raised through the sale of the above mentioned securities, (ii) Explain THREE (3) differences between debentures and shares, Define the following: (i) Mode, (ii) Scarcity, (iii) Utility, (iv) Consumer sovereignty.				

Turn Over

7.1 00	in(a) n	Define the	following: To statute of	Country, what will be th	iven the economy of your	(a) (b)	
		(i) Barter	system of trade,		c following goods?	(2 m	narks
2 marks		(ii) Inflatio	on,		Medricity	(2 m	arks)
ខ្លាំងខណ្ឌ [(iii) Price index,						
civan 1		(iv) Credit creation.				(2 m	arks)
alsum D	(b)	Below are s	some functions of financia	al institutions in our eco	nomy.	0	
,					the the gar esponding wo	10	
Waren St		(ii) Len	nding to commercial bank	sin mmediano	Principal below the		
KTRIET (*)		(iii) Age	ent of payment to custome	ers. Spire maiwillinus	i) Price set abrive de		
in the series		(iv) Ag	ent of payment to the stat	e.) shaarreb ytitaanp de	ida ei nombreo A (tij		
Saeara)	(48)	Which of the	ese functions best explain	the activity of commer	cial and central banks in y	our Country?	
							arks
	(c)	State and ex	plain FOUR (4) limitatio	ons of commercial banks	s to create credit.	(8 m	arks
Jan 14	L		9				
8.	(a)	Distinguish l	between the following:		and of beniend.	.0	
		(i) You	thful and aging populatio	n,	in) Deed of gameeste	(4 ma	arks)
Sea L		(ii) Depo	endency ratio and workin	g population,	Americanii ((4 ma	arks)
		(iii) Imm	nigration and emigration.	of hotoem visaming	ar 1009MO Imr. AJD. Mc	(4 ma	arks)
	(b)				nfant mortality rates in ou		1.
					100 c e preferance shares	(8 ma	arks)
					30 10% dobentares el 5000	. 6	ĺ
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