ECONOMICS 2
0725

SOUTH WEST REGIONAL MOCK EXAMINATION

GENERAL/TECHNICAL/VOCATIONAL EDUCATION EXAMINATION

THE TEACHERS' RESOURCE UNIT (TRU)
Cellule d'appui à l'action Pédagogique

IN COLLABORATION WITH
En collaboration avec

THE REGIONAL INSPECTORATE OF PEDAGOGY AND

THE SUBJECT TEACHERS' ASSOCIATIONS (STA)

Thursday 19/03/2026(Morning Session) **ADVANCED LEVEL**

Subject Title	**ECONOMICS**
Subject Code No.	**0725**
Paper No.	**2**

Mobile phones are NOT allowed in the examination room.

Duration: Three hours

INSTRUCTIONS TO CANDIDATES

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

All questions carry 20 marks each. For your guidance, the approximate mark for each part of a question is indicated in brackets.

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

In calculations, you are advised to show all steps in your working, giving your answer at each stage.

Calculators or Phones are NOT allowed.

SECTION A

1. a) Discuss the factors that determine the optimum size of a population. **(10 Marks)**

   b) What the negative effects of labour immobility to an economy? **(10 Marks)**

2. a**)** With the aid of diagrams, show how elasticity of supply varies with time. **(12Marks)**

   b) Explain the causes of increase in demand for a good. **(8 Marks)**

3. a) Using an appropriate diagram, explain why a private monopolist will operate only on the elastic portion of its market demand curve. **(10 Marks)**

   b) Discuss the economic reasons for government regulation of monopoly. **(10 Marks)**

4. a). Examine the economic effects of imposing a minimum wage in a competitive labour market. **(12 Marks)**

   b). Explain the economic reasons that justify the payment of interest? **(8 Marks)**

SECTION B

5. a) With the aid of diagrams, explain the circumstances under which the desire to save more may lead to less being saved. **(10 Marks)**

   b) Discuss the factors that can cause changes in a country's level of national income. **(10 Marks)**

6. a). Describe the different types of deposits accepted by Commercial banks in Cameroon. **(12 Marks)**

   b) Explain the qualities that make the Franc CFA a good form of money in Cameroon? **(8 Marks)**

7. a) Describe the components of the balance of payments. **(12 Marks)**

   b) Outline the arguments for trade liberalization by countries? **(8 Marks)**

8. a). Explain the conflicting macroeconomic policy objectives? **(12 Marks)**

   b). Why is economic growth a desirable objective in Cameroon? **(8 Marks)**