

**GHS**

**ECONOMICS PAPER 1**

**S.6**

**TIME 3 Hours**

**APRIL'14**

Answer *all* questions in **Section A** and *Four* question in **Section B**.

**SECTION A**

1. a) i) Define 'Human wants' (1 mark)  
ii) Outline three characteristics of Human wants. (3 marks)
- b) i) Differentiate between a mixed economy and a dual economy (2 mark)  
ii) State two characteristics of a dual economy (2 marks)
- c) i) Distinguish between Private goods and Public goods (2 marks)  
ii) Mention two characteristics of Public goods. (2 marks)
- d) Give four reasons why Government may influence the location of industry. (4 marks)
- e) i) State the relationship between Supply price and Economic rent. (2 marks)  
ii) Give two reasons why all the earnings to Land are regarded as Economic rent. (2 marks)

**SECTION B**

- 2 a) Give four features of a Laissez faire economy. (4 marks)  
b) Explain the role of government in a Mixed economy. (16 marks)
- 3 a) Explain the following terms;  
i) Pareto Optimum (2 marks)  
ii) Giffen goods (2 marks)  
iii) Merit goods. (2 marks)  
b) Explain the outcomes of a Command economy. (14 marks)

4. a) Examine the costs and benefits of economic growth. (10 marks)  
b) Under what circumstances is economic growth not followed with economic development? (10marks)
5. a) Why do prices of primary agricultural commodities fluctuate more than those manufactured goods in a developing economy? (10 marks)  
b) What are the possible measures that can be undertaken to reduce fluctuations in prices of agricultural products in an economy? (10 marks)
6. a) Identify four similarities and four differences between oligopoly market structure and monopoly market structure. (08 marks)  
b) Examine the advantages and disadvantages of Monopoly. (12 marks)