1. In Economics the phrase "all other things being equal" means
   A. Factors remain constant
   B. Factors are equally efficient
   C. Factors are less efficient
   D. Other variables remain the same
2. Which of the following concepts will remain unresolved as a firm tries to solve the basic economic problems?
   A. Opportunity cost
   B. Scale of preference
   C. Choice
   D. Scarcity
3. Market failure occurs when
   A. Market practices discrimination against the poor.
   B. The price system cannot allocate resources optimally.
   C. The market enables more of merit goods to be produced.
   D. Tax rates increase market prices unnecessarily.
4. In which economic system is there no freedom of choice and therefore loss of consumer sovereignty?
   A. Command economy
   B. Free enterprise economy
   C. Mixed economy
   D. Traditional economy
5. The percentage share of total employment, sales or output of an industry accounted for by the 3 or 5 largest firms in the industry is called?
   A. Location quotient
   B. Firms outlay
   C. Industrial localization
   D. Concentration ratio

Question 6 is based on the **figure 1** below
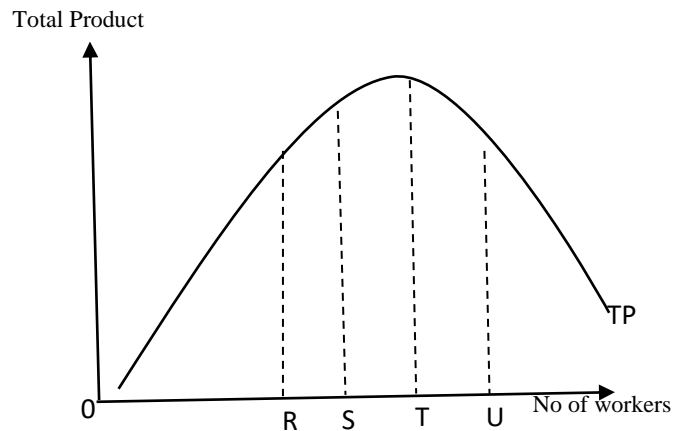
6. Within which employment range are returns to labour increasing?
   A. O – R
   B. R - S
   C. S – T
   D. T – U
7. Which of the following is an external source of finance for a businessman?
   A. Leasing
   B. Bank draft
   C. Ploughed back profit
   D. Public issue
8. A situation where a firm takes over another, selling off the company's resources thereby terminating it is called
   A. Asset stripping
   B. Takeover bids
   C. Holding company
   D. Pyramiding
9. Marginal cost and Average cost pricing policies are mostly practiced by
   A. Public companies
   B. Public corporations
   C. Private companies
   D. Monopolies

Question 10 is based on the population statistic of country Y in a given year

Total population …………20million people
Labour force ………………8million people
Activity rate …………………75%

10. How many people are gainfully employed in this country?
    A. 6 million people
    B. 8 million people
    C. 12 million people
    D. 15 million people

11. The term "expanding population "describes a population with
    A. A relatively small and decreasing proportion of children, adolescents and young adults
    B. A low average age.
    C. An increasing proportion of children, adults and the aged
    D. Very high average age

Question 12 is based on the following below

A consumer with a budget constraint of 10,000FCFA buys: Rice, sugar, and flour whose prices are: 500FCFA, 600FCFA, and 400FCFA respectively. With 10kg of rice, 5kg of sugar and Y kg of flour, his budget is exhausted

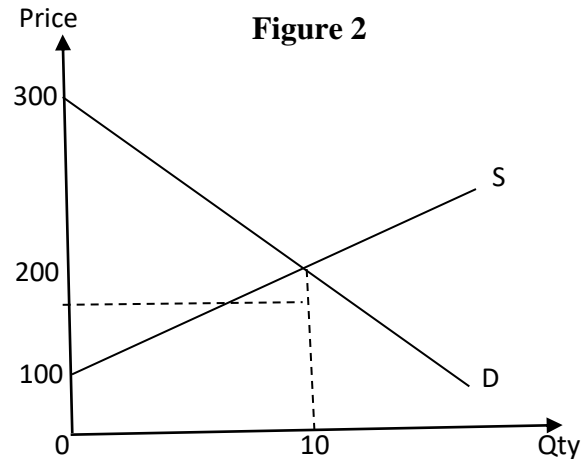12. What is the quantity of flour(Y) bought?
    A. 4 kg
    B. 5 kg
    C. 6 kg
    D. 3 kg

13. Suppose a tax of 20 frs has been imposed on a packet of maggi with elasticity of supply of 3.5frs.
    If customers pay 14frs out of the tax determine the elasticity of demand for maggi.
    A. 1.4
    B. 1.5
    C. 2
    D. 2.5

Question 14 is based on figure (2) below

Figure 2

14. From the above figure, what is the community surplus?
    A. 500FCFA
    B. 1000FCFA
    C. 100FCFA
    D. 2000FCFA

15. A demand curve regressive at the top specifically describes
    A. Inferior goods
    B. Giffen goods
    C. Veblen goods
    D. Expectation of further price decrease

Question 16 relates to figure 3 below showing the various indifference curves and the budget lines
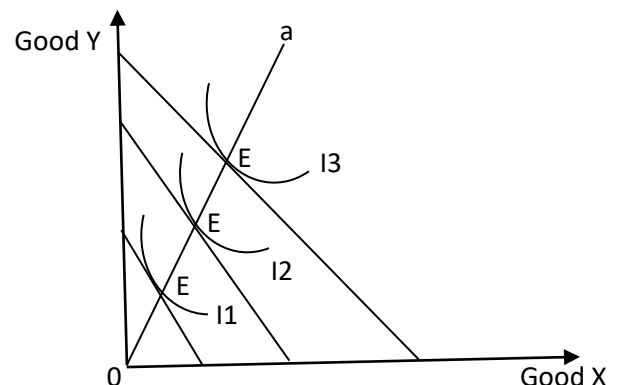
16. Line a is called the
    A. Income consumption curve
    B. Engels curve
    C. Price consumption curve
    D. Supply curve with unit elasticity

17. A firm's cost structure is as follows
    Total costs   = 17,000FCFA
    Average Variable costs =110FCFA
    Total fixed costs   =11,500FCFA
    The firm's output will be
    A. 35 units
    B. 40 units
    C. 45 units
    D. 50 units

Question 18 relates to figure 4 below

Figure 4
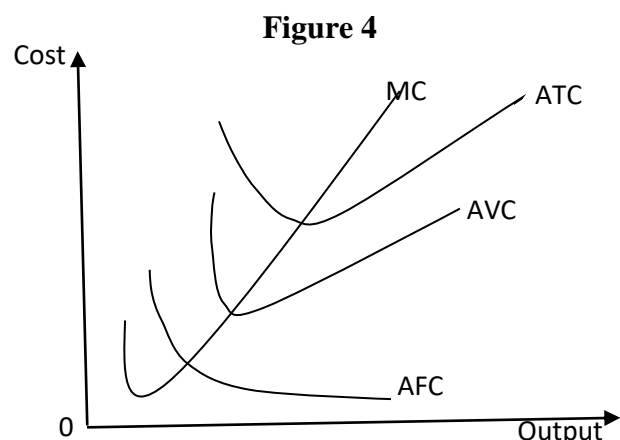
18. The AFC curve is falling because
    A. Total Fixed costs are constant
    B. Average variable costs also fall
        before rising
    C. The gap between ATC and AVC
        at lower output is larger
    D. Total fixed costs are spread over
        a larger output
19. An   example   of   variable   cost   of
    production is
    A. Rents
    B. Insurance premium
    C. Cost of machine
    D. Wages
20. When a firm charges each consumer the
    maximum price he or she is prepared to
    pay for the same good, this is known as
    A. Multi-part price discrimination
    B. Segmented   market   price
        discrimination
    C. Second   degree   price
        discrimination
    D. Perfect price discrimination

21. Market structure with only two buyer of
    the product supplied in the market is
    called
    A. Duopoly
    B. Duopsony
    C. Duopolist
    D. Duopsonist
22. Quasi rent can be defined as
    A. Extra earnings received by a
        factor because of its special
        ability
    B. Economic rent which is earned
        by a factor in the short run
    C. Earnings of a factor above the
        factor's supply price
    D. Minimum reward necessary to
        keep a factor in its present
        occupation
Question 23 relates to figure 5 below
which shows the average revenue
product (ARP and marginal revenue
product (MRP) curves for labour
employed by an individual firm
Figure 5
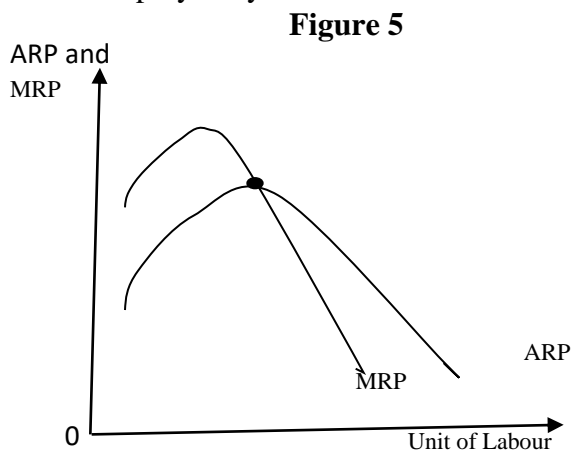
23. The   demand   curve   for   labour   is
    represented by the segment of the
    A. ARP curve above the MRP curve
    B. MRP curve that is downward
        slopping
    C. MRP curve above the ARP curve
    D. MRP curve below the ARP curve

24. Profits made in the short run but not enough to keep the firm in the industry in the long run is called
    A. Negative profit
    B. Net profit
    C. Subnormal profit
    D. Operating profit
25. Interest rate according to the classical is determined by the
    A. Interaction between the demand for and the supply of loanable funds
    B. Interaction between the demand for and the supply of money
    C. Interaction between the active and the idle balance
    D. Monetary authorities
26. _____Is an adjustment made on income and output statistics to bring them to equality with expenditure statistics of measuring national income
    A. Adjustment for financial services
    B. Residual error
    C. Capital appreciation
    D. Capital depreciation
27. The GNP deflator is useful in calculating
    A. Real GNP
    B. Nominal GNP
    C. Rate of interest
    D. National income

Question 28 relates to the following data showing the national income account of an imaginary economy (figure are in million FCFA)

Depreciation …………………… = 150
Taxes on expenditure …………= 1,500
Subsidies …………………………. = 75
Net national product …………. = 7,500

28. Determine the value of Gross National Product at the market prices.
    A. 6225 million FCFA
    B. 7650 million FCFA
    C. 9075 million FCFA
    D. 9225 million FCFA

29. Which of the following equations expresses the relationship between the propensities to consume and save?
    A. APC + APS = 1
    B. APS – APC = 1
    C. APC – APS = 1
    D. APC + APS > 1
30. Changes in investment on a magnified scale origination from variations in the rate of consumption "what term is explained by the quotation above?
    A. Net investment
    B. Gross investment
    C. The multiplier
    D. The accelerator
31. Suppose ΔS = change in savings. ΔY = change in income. Which of the following formula represents the multiplier in a two- sector closed economy?
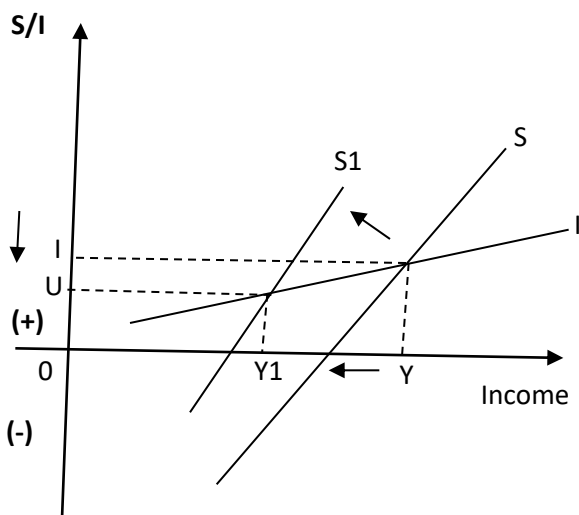
    A. $\dfrac{1}{\left(\frac{\Delta S}{\Delta Y}\right)}$

    B. $\dfrac{1}{\left(\frac{\Delta Y}{\Delta S}\right)}$

    C. $\dfrac{1}{\left(\frac{\Delta Y-\Delta S}{\Delta Y}\right)}$

    D. $\dfrac{1}{\left(\Delta Y - \Delta S\right)}$

Question 32 is based on figure 6 below showing various equilibrium position using the saving and investment curves

S/I

32. Which economic concept does the above figure seek to explain?
    A. Full employment equilibrium in an economy
    B. Paradox of thrift
    C. Equilibrium income in an open economy
   D. Full employment income and equilibrium income

33. If $(S + T + M) > (I + G + X)$, the total output of a country will
    A. Fall
    B. Increase
    C. Not change
    D. Be an ex-post variable

34. The scrap value of an asset is the value of
    A. The physical asset
    B. The durable asset
    C. Depreciation in progress
    D. Capital asset after its useful life

Question 35 is based on figure 7 below relating to the quantity theory of money

Figure 7
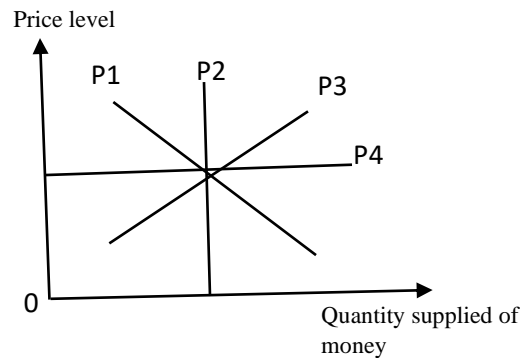
35. Which of the curves shows the relationship between the quantity supplied of money and the general price level?
    A. Curve P4
    B. Curve P3
    C. Curve P2
    D. Curve P1

36. Which of the following present the assets of a commercial bank classified in decreasing order of liquidity?
   A. Cash, money at call, treasury bills, advances
    B. Investment, advances, treasury bills, cash
    C. Advances, treasury bills, money at call, cash
    D. Cash, advances, investment, treasury bills

37. The money supply in an economy is given 600million FCFA at an equilibrium interest rate of 3%. What is the demand for money in the economy given that the rate of interest does not change
    A. 180 million FCFA
    B. 6180 million FCFA
    C. 6000 million FCFA
    D. 5820 million FCFA

38. An increase in inflation rate by 10% causing the government to increase wages by 10% is referred to as
    A. Fiscal drag
    B. Inflationary spiral
    C. Indexation
    D. Stagflation
39. The concept of crowding in suggests that an increase in government borrowing and spending will cause an increase in
    A. The rate of interest
    B. The money supply
    C. Private sector investment
    D. Public sector borrowing
40. A deliberate action by the government to change her spending or tax rates so as to achieve some desired macroeconomic objectives is known as
    A. Automatic stabilizer
    B. Discretionary fiscal policy
    C. Non-discretionary fiscal policy
    D. Budget or fiscal policy
41. "A tax should be capable of being altered to meet changing economic conditions and changing government's objectives". Which principle of taxation is implied in the above quotation?
    A. Potential acceptability
    B. Efficiency
    C. Predictable yield
    D. Flexibility
42. A tax payer with an income of 200,000FCA per month is granted a tax free allowance of 20,000FCFA. Given a tax rate of 15% what is the ART of this tax payer?
    A. 13.5%
    B. 15%
    C. 16.7%
    D. 11.1%

Question 43 is based on figure 8 below showing the effect of the devaluation of a currency on the balance of payment (BOP)

CAB
(MFCFA)
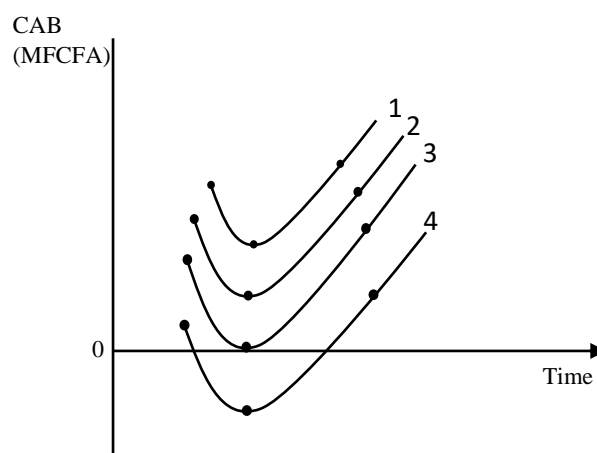
CAB = Current Account Balance

43. Which of the above curves 1, 2, 3 and 4 shows the effect of a successful devaluation on the BOP of a country?
    A. Curve 1
    B. Curve 2
    C. Curve 3
    D. Curve 4
44. In which of the following regimes is the exchange rate of a currency allowed to float within a given limit?
    A. Flexible exchange rate regime
    B. Managed exchange rate regime
    C. Floating exchange rate regime
    D. Fixed exchange rate regime

Question 45 relates to the table below which shows the movement in a country's terms of trade (TOT) from 2016 through 2019

Year	2016	2017	2018	2019
TOT	124	118	110	106

45. The movement in terms of trade illustrated above can possibly occur when
    A. Export prices are rising more than import prices
    B. Export prices are constant while import prices are falling
    C. Import prices are rising while export prices are falling
    D. Import prices are constant while export prices are rising

Question 46 Is based on the data below which shows the balance of payment account of an imaginary country (figure are in millions of FCFA)

Value of goods exported ……… = 500
Earnings from foreign tourists … = 200
Capital invested abroad ……… = 500
Value of goods imported ……. = 350
Capital invested from abroad … = 250
Payment abroad for a given service . = 70
Interest paid abroad……… ……… = 150
Receipts from foreign students …… =180

46. What is the balance of payment on current account?
    A. 310 million FCFA
    B. 250 million FCFA
    C. 150 million FCFA
    D. 240 million FCFA

47. Suppose the real GDP of a country increases from 110 in year 1 to 115 in year 2. Determine the growth rate of the real GDP of this country
    A. 4.5%
    B. 5%
    C. 5.5%
    D. 10%

48. Which of the following agencies gives loans to private sector businesses in developing member countries?
    A. IMF (International Monetary Fund)
    B. IBRD (International Bank for Reconstruction and Development)
    C. IDA (International Development Association)
    D. IFC (International Finance Corporation)

49. An example of automatic stabilizers is
    A. Pension fund
    B. Family allowance
    C. Unemployment benefit
    D. Scholarship grants

50. Which of the following is one of the government's macroeconomic objective?
    A. Bank lending
    B. Price stability
    C. Exchange rate
    D. Labour mobility