



CHRIST HIGH SCHOOL PLOT 5, CHS
STREET, KM 32, ABUJA-KEFFI ROAD
UKE, NASARAWA STATE

SS3 EXAMINATION 2024/2025 ACADEMIC SESSION

SUBJECT: ECONOMICS
CLASS: SS 2
TIME: 2 Hour 30 Minutes

NAME.....

CANDIDATE'S ADMISSION NO.

INSTRUCTION

Write your name and number in the space provided on your answer booklet. Write your name on any extra sheet used.

Answer all questions.

At the end of the examination, staple all your work securely together.

FOR EXAMINER'S USE

Total Score:

+

1. The **main** concern of economist is to
 - A. Allocate scarce resources to satisfy human wants
 - B. Satisfy all human wants
 - C. Redistribute income between the rich and the poor
 - D. Control the growth of population
2. Productive resources can also be called
 - A. Principle of production
 - B. Factors of production
 - C. Items of production
 - D. Labour and material resources
3. Production covers all the following **except** when
 - A. Utility is created
 - B. A good is manufactured
 - C. A commodity is consumed
 - D. Individual wants are satisfied
4. Data presented in tables are usually arranged in
 - A. Charts and graphs
 - B. Rows and columns
 - C. Graphs and rows
 - D. Columns and charts
5. The theory of *diminishing marginal utility* states that as more units of a commodity are consumed the
 - A. Satisfaction from an extra unit decrease
 - B. Satisfaction from an extra unit rises
 - C. Satisfaction from an extra unit remains constant
 - D. Total satisfaction from the good remains the same
6. Which of the following factor does **not** cause a change in demand
 - A. Taste and fashion
 - B. Vagaries of weather
 - C. Price of other commodities
 - D. Price of the commodity
7. If goods **P** and **Q** are jointly demanded, an increase in the price of **P** will likely
 - A. Leave the demand for **Q** constant but reduce the quantity demand of **P**
 - B. Reduce the quantity demand of **P** but increase the price of **Q**
 - C. Increase the quantity supplied of **Q**
 - D. Decrease the quantity demanded of **Q**
8. The gap between *demand and supply* curves above the equilibrium price is
 - A. *Normal demand*
 - B. *Excess supply*
 - C. *Equilibrium quantity*
 - D. *Abnormal demand*
9. A major function of the price mechanism is that it determines the
 - A. Allocation of resources
 - B. Amount of national savings
 - C. Population of the country
 - D. Number of goods to be taxed
10. Which of the following determinants of supply **cannot** be predicted easily
 - A. Price of the commodity
 - B. New techniques of production
 - C. National emergencies
 - D. Mobility of labour
11. If the *co-efficient of demand* is 1.5, then the *demand* is
 - A. *Fairly inelastic*
 - B. *Perfectly elastic*
 - C. *Elastic*
 - D. *Inelastic*
12. Small scale enterprises are important in a country because
 - A. They usually produce goods for the dependants.
 - B. They provide after sales only to the rich.
 - C. The prices of their products are fixed.
 - D. They render personalized services to the consumers.
13. In the long run all factors of production are
 - A. Expensive

- B. Variable
 - C. Durable
 - D. Fixed
14. The *transformation curve slope* indicates the
 - A. Opportunity cost of producing one commodity after another
 - B. Opportunity cost of producing two commodities at a time
 - C. Sale of the plant to other investors
 - D. Decrease in the cost of production
 15. Which of the following is regarded as *fixed cost*
 - A. Expenditure on raw material
 - B. Expenditure on fuel
 - C. Expenditure on power
 - D. Rent on land
 16. *Revenue* is the
 - A. Cost of good multiplied by the quantity sold
 - B. Price of good multiplied by the quantity sold
 - C. Quantity of good plus purchase price
 - D. Quantity supplied less quantity sold
 17. A business outfit is said to be a public limited company when it
 - A. Is owned by the government
 - B. Operates as a public operation
 - C. Is run by the public
 - D. Sell it shares to members of the public
 18. The main characteristics of an ordinary share are
 - A. Maximum risk, fixed dividends, voting rights.
 - B. Maximum risk, fixed dividends, no voting rights.
 - C. Maximum risk, variable dividends, voting rights.
 - D. Minimum risk, fixed dividends, voting rights.
 19. The *monopolist* can determine
 - A. Price and output
 - B. Price only
 - C. Output only
 - D. Price or output
 20. A market situation with a large number of firms selling closely related but differentiated product is
 - A. *Monopolist competition*
 - B. *Perfect competition*
 - C. *Monopoly*
 - D. *Monopsony*
 21. Equilibrium under perfect competition requires that
 - A. $MC = AR$ but $AR < AC$.
 - B. $MR = MC = AR = AC$
 - C. $AC = AR < MC$
 - D. $TR < TC$
 22. The purely competitive firm should close down when its price is less than its
 - A. *Average variable cost*
 - B. *Total fixed cost*
 - C. *Average total cost*
 - D. *Marginal cost*
 23. During a sale by auction, the price at which the good is finally sold is determined mostly by
 - A. Competition between buyers and sellers
 - B. Competition among buyers
 - C. Competition among sellers
 - D. Government policy
 24. Which of the following does not affect a country's population
 - A. *Birth rate*
 - B. *Death rate*
 - C. *Emigration*
 - D. *Unemployment*
 25. The trade unions in West Africa have achieved the following for the workers **except**
 - A. Increased wages
 - B. Better condition of service
 - C. Competitive determination of wage rate
 - D. Improved welfare facilities
 26. The employers' demand curve for labour is represented by the

- A. Marginal product curve of labour
 - B. Total product curve of labour
 - C. Average product curve of labour
 - D. Total cost curve of labour
27. Agriculture plays a dominant role in our country because
- A. It is the main source of energy
 - B. It employs more than 50% of the total labour force
 - C. It supplies all industrial inputs
 - D. There are large plantations of cocoa, groundnut and palm oil.
28. The main objective of *specialization* is to
- A. Allocate resources
 - B. Limit workers' skill
 - C. Increase the use of labour
 - D. Increase productivity
29. *Industry* can be defined as
- A. Several firms producing different commodities
 - B. Group of firms producing similar commodities
 - C. Different firms producing equal number of commodities
 - D. Many firms producing for export
30. Which of the following is a disadvantage of *large scale* production?
- A. Market economies
 - B. Managerial economies
 - C. Impersonal Organisation
 - D. Division of labour
31. Human wants are unlimited because
- A. Production is inadequate
 - B. Resources have alternative uses
 - C. New wants always arise
 - D. Resources are limited
32. Households make economic decisions because they want to
- A. Make profit
 - B. Increases their salaries and wages
 - C. Increases their purchases
 - D. Maximize their satisfaction
33. A normal supply curve has a positive slope which indicates that
- A. Sellers are willing to sell more at a lower price
 - B. Sellers are indifferent to prices
 - C. Sellers are willing to sell more at a higher price
 - D. There is always a fixed price
34. Other things being equal, an increase in supply will lead to
- A. a fall in price and an increase in quantity bought and sold
 - B. an increase in price and an increase in quantity bought and sold
 - C. a fall in price and a fall in quantity bought
 - D. an increase in quantity supplied and demanded only
35. Goods consumed out of habit have
- A. Elastic demand
 - B. Perfectly elastic demand
 - C. Inelastic demand
 - D. Unitary elastic demand
36. Scarcity implies that
- A. Goods cannot be produced efficiently
 - B. Human wants are limited
 - C. Goods and services are limited in supply
 - D. Goods are evenly distributed
37. The profit of a producer is the difference between
- A. Total cost and marginal cost
 - B. Total revenue and total cost
 - C. Average cost and total cost
 - D. Price and total cost
38. The need for choice in economics arises as a result of
- A. Differences in individual needs
 - B. Inadequate resources with unlimited human needs
 - C. Lack of effective demand
 - D. Limited demand and numerous resources
39. Basic extractive activities are classified as
- A. Manufacturing production
 - B. Tertiary production

- C. Secondary production
 - D. Primary production
40. The entire satisfaction that a consumer derives from a successive consumption of a particular product is
KNOWN AS
- A. Marginal utility
 - B. Total utility
 - C. Average utility
 - D. Diminishing utility
41. A collection of data which has not been processed is referred to as
- A. Disjointed data
 - B. Raw data
 - C. Frequency
 - D. Class interval
42. The study of economics enables individuals to
- A. Change jobs
 - B. Evade taxes
 - C. Accumulate huge wealth
 - D. Make rational decisions
43. Which of the following economic tools will best illustrate the relationship price and quantity demanded of a commodity
- A. Mean
 - B. Range
 - C. Graph
 - D. pie-chart
44. A common source of finance to both sole- proprietor and partnership is
- A. Issuance of shares
 - B. Previous personal savings
 - C. Government subventions
 - D. Bill of exchange
45. Who among the following controls a limited liability company
- A. The General manager
 - B. The managing director
 - C. The tax payers
 - D. The Board of Directors
46. Efficiency of resources utilization is attained when
- A. Production is carried out by public corporations
 - B. A combination of goods can be produced with available resources
 - C. The maximum output is achieved from a given resource
 - D. One commodity is sacrificed for the production of another
47. A production possibility curves shows the amount of
- A. Resources used to produce a particular commodity
 - B. Unemployment ratio in the economy
 - C. Various combination of two commodities that can be produced
 - D. Rate of inflation
48. A business outfit is said to be a public limited company when it
- A. Is owned by the government
 - B. Operates as a public corporation
 - C. Is run by the public
 - D. Sells its shares to the members of the public
49. In a capital system, goods are produced for those who
- A. Want them most but cannot pay for them
 - B. Can pay for them but do not want them
 - C. Want them but can also pay for them
 - D. Are independent on the labour force
50. The definition of economics that embodies the fundamental problems and basic concepts of economics was given by
- A. Lionel Robbins
 - B. Adams Smith
 - C. Alfred Marshal
 - D. John Sturt Mills
51. One of the major disadvantages of the sole proprietorship is that he has
- A. High degree of continuity
 - B. Limited liabilities

- C. Difficulties in setting up the business
 - D. Unlimited liability
52. Resources such as gold, diamond, bauxite, limestone and crude oil are known as
- A. Capital resources
 - B. Artificial resources
 - C. Natural resources
 - D. Secondary resources
53. An essential characteristic of a market economy is
- A. Government control
 - B. Producer surplus
 - C. Consumer surplus
 - D. Consumer sovereignty
54. The three principal economic units in any system are
- A. Trade, industry and banking
 - B. Workers, consumer and shareholders
 - C. Household, firms and government
 - D. Companies, industry and plants
55. The business Organisation which raises capital more easily is the
- A. Sole-proprietor
 - B. Partnership
 - C. Joint stock company
 - D. Co-operative societies
56. Which of the following is a short-term financing instrument
- A. Trade credit
 - B. Dividends
 - C. Shares
 - D. Government boards
57. In a free market economy, the allocation of factors of production is determined by the
- A. Workers
 - B. Needs of the country
 - C. Price system
 - D. Government
58. If the government fixes prices below the equilibrium level, it will lead to
- A. More of the commodities being supplied
 - B. Less of the commodities being demanded
 - C. Shortages in the market
 - D. Fall in production cost
59. Which of the following is an advantage of sole-proprietorship
- A. Greater specialization in managerial functions
 - B. Flexibility in admission of new members
 - C. Involvement of shareholders in decision-making
 - D. Opportunity to take quick decisions
60. One of the disadvantages of localization of industries is
- A. Social disorder in the urban centers
 - B. Employment in the urban areas
 - C. Over-population in the rural areas
 - D. Under-population in the urban areas

PART TWO

THEORY (80 MARKS)

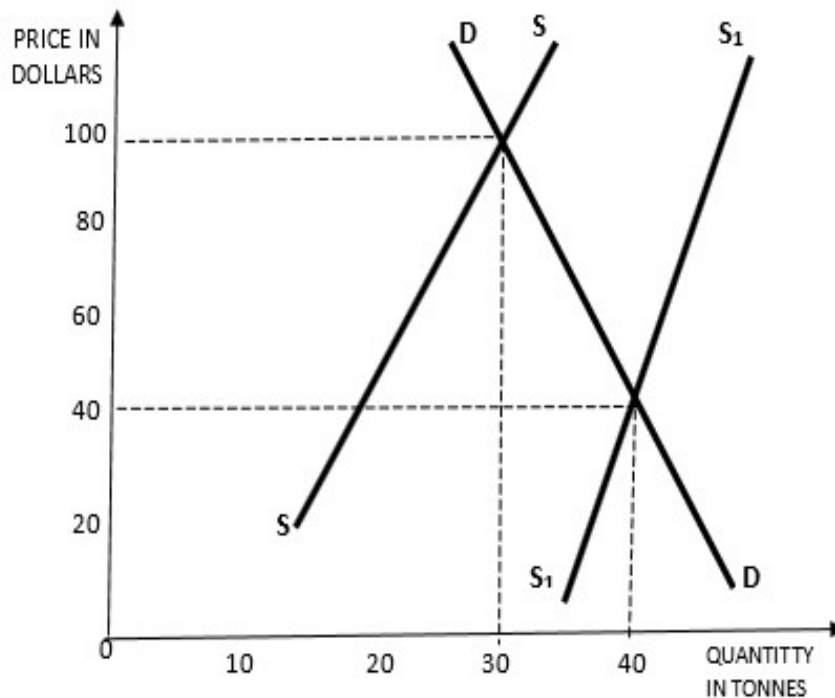
ANSWER FOUR (4) QUESTIONS IN ALL. ONE QUESTION ONLY FROM SECTION A AND ANY THREE (3) QUESTIONS FROM SECTION B.

ALL QUESTIONS CARRY EQUAL MARKS.

SECTION A

ANSWER ONE QUESTION ONLY FROM THIS SECTION

1. The diagram below illustrates the demand for and supply of maize. Use the information in the diagram to answer the question that follow.



- What is the total revenue of the farmer at the initial equilibrium?
(3marks)
 - Calculate the total revenue of the farmer if the supply curve shifts to S_1S_1
(3 marks)
 - what change occurs in the total revenue of the farmer when the price falls from 100 dollars to 40 dollars per tonne? (3 marks)
 - Use the figures in the diagram to determine the price elasticity of demand for maize (5 mark)
 - interpret your answer (2 marks)
 - Give two reasons for the shift of the supply curve from SS to S_1S_1 (4 marks)
2. The Table below relates to the supply of labour in response to the given wage rates. Use the information in the table to answer the questions that follow

Wage rate (\$ Per hour)	Hours worked (per day)	Income Per day (\$)
10	—	10
20	—	60
30	—	150
40	6	—
50	4	—
60	2	—

- a) Determine the number of hours work per day if the wage rate is
 - i. \$10 per day (2 marks)
 - ii. \$20 per day (2 marks)
 - iii. \$30 per day (2 marks)
- b. Calculate the income per day when the wage rate is
 - i. \$40 (2 marks)
 - ii. \$50 (2 marks)
 - iii. \$60 (2 marks)
- c.
 - i. Which wage rate per hour attracts the highest earnings (2 marks)
 - ii. Name the type of supply curve that can be associated with the data in the table (2 marks)
 - iii. Explain the nature of the supply curve named in 2(c)(ii). (2 marks)
3. a. what is
 - i. Birth rate? (3 marks)
 - ii. Natural growth rate? (3 marks)
- b. Distinguish between overpopulation and optimum population (8 marks)
- c. Give two reasons why people emigrate (6 marks)
4. (a) what is a market? (4 marks)
- (b) Explain the main features of a perfectly competitive market (16 marks)
5. (a.) Define
 - i. elasticity of demand
 - ii. price elasticity of demand
- b. State any four determinants of price elasticity of demand (12 marks)
- c. Draw curves illustrating
 - i. Fairly elastic demand (2 marks)
 - ii. Perfectly inelastic demand (2 marks)
6. (a) Define unemployment
- (b) Explain the following concepts
 - i. Technological unemployment
 - ii. Cyclical unemployment
- (c) outline any four measures a country can adopt to reduce unemployment
7. (a) Define land as a factor of production
- (b) State three features of land
- (c) explain four ways in which land contributes to the economic development of your country