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**UNIVERSITY OF GHANA**  
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**SECOND SEMESTER EXAMINATIONS: MAY, 2014/2015**  
(Main Campus)

**UNDERSTANDING HUMAN SOCIETY**  
**COURSE CODE: UGRC 133 - THE ECONOMY AND BUSINESS (3 Credits)**

**TIME ALLOWED: TWO HOURS**

**INSTRUCTIONS: USE separate BOOKLETS (of different colors) for each section.**

**Answer three questions altogether.**

**SECTION A: ANSWER ONE QUESTION FROM THIS SECTION (20 MARKS each)**

1. (i) Mention and briefly discuss, at least, five factors constraining entrepreneurial activities in Ghana.  
(ii) What roles do NGOs play in Ghana's socio-economic development process?
2. (i) With the support of cogent examples, show that - "*A country's development does not depend on that country's endowment of natural resources.*"  
(ii) Write short notes on the following: (a) SMEs (b) the Levantines (c) MDGs

**SECTION B: ANSWER TWO QUESTIONS FROM THIS SECTION (25 MARKS each)**

1. a) GDP is a Good Measure of economic well-being? Discuss  
b) A rise in GDP from one year to the other indicates that the economy is producing a larger output of goods and services. True/ False? Discuss.  
c) Distinguish between GDP and GNP.
2. a) State and explain the main features of unemployment  
b) Explain, with examples, the following types of unemployment

- i. Structural unemployment
- ii. Frictional unemployment
- iii. Cyclical unemployment

3. a) Explain briefly what the Consumer Price Index is.  
b) The Statistical Agency of a given economy reported the following CPI data. Use the data to answer the questions that follow.

June 2006 201.9  
June 2007 207.2  
June 2008 217.4

- i. Calculate the inflation rates for the years ended June 2007 and June 2008. Explain the change in inflation.
  - ii. What are the problems associated with using the CPI to measure cost of living?
4. Identify and explain four (4) key factors that you consider to be responsible for the depreciation of the Ghanaian cedi in recent times. What policy options would you prescribe for stabilizing the currency?

