



**CENTRAL
UNIVERSITY**

FAITH • INTEGRITY • EXCELLENCE

2018/2019 END OF SECOND SEMESTER EXAMINATIONS

**FACULTY OF ARTS AND SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS**

**ECON 303: ECONOMY OF GHANA
(LEVEL 300)**

INSTRUCTIONS:

1. All the rules of examination in Central University apply.
2. Using the answer booklet, answer any **FOUR** questions in all.
3. Provide facts and figures where necessary.
4. Time Allowed: **2 Hours 15 Minutes**.

Name of Examiners: GEORGE HUGHES, EDMUND KWABLA, JOSEPH WILSON APPIAH KUBI & KOFI KORLE

QUESTION ONE

According to the World Bank classification of countries base on per capita income, the economy of Ghana is classified as a middle income country. Despite this fact, the economy of Ghana is very much considered as a developing country. Discuss. [25 marks]

QUESTION TWO

- Distinguish between a partial plan and a comprehensive plan. [5 marks]
- Explain the **THREE (3)** main arguments underscoring planning in developing countries. [12 marks]
- Explain any **TWO (2)** reasons for the failure of economic plans in Ghana. [8 marks]

QUESTION THREE

- Differentiate between deficit budget and surplus budget. [4 marks]
- Explain **THREE (3)** reasons why the Ghanaian Economy should focus on taxation to finance projects. [12 marks]
- Discuss any **THREE (3)** main causes high government expenditures in Ghana. [9 marks]

QUESTION FOUR

- What is inflation and state the current inflation rates for January and February 2019? [3 marks]
- Differentiate between Demand pull inflation and Cost Push Inflation. [6 marks]
- explain the **FOUR (4)** main causes of inflation in Ghana. [16 marks]

QUESTION FIVE

- Explain what is meant by the structure of an economy. [3 marks]
- Explain with examples the meaning of *forward and backward linkage* between agriculture and industry. [10 marks]
- Using the Income Approach to National Income Accounting, describe how National Income is measured. [12 marks]

QUESTION SIX

- Identify and explain **FOUR (4)** reasons why Ghana's agricultural sector is dominated by small and medium scale farms. [16 marks]
- Discuss **THREE (3)** constraints associated with the industrial sector in Ghana. [9 marks]