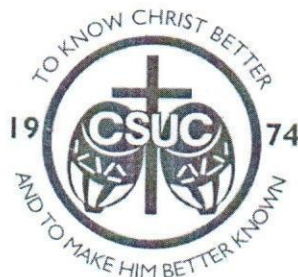


INDEX NUMBERSIGNATURE.....DATE.....



CHRISTIAN SERVICE UNIVERSITY COLLEGE, KUMASI
FACULTY OF HUMANITIES
DEPARTMENT OF PLANNING AND DEVELOPMENT
BACHELOR OF ARTS IN PLANNING AND SOCIAL DEVELOPMENT
END OF FIRST SEMESTER EXAMINATIONS, 2021/2022
LEVEL 200

DPSD 205 ECONOMY OF GHANA

JANUARY, 2022

(60MARKS)

TIME ALLOWED: 3HOURS

INSTRUCTION:

- **Answer Four Questions Only**
- Write your *index number and your signature* clearly at the *top of the question paper and on every page of the answer booklet used.*

QUESTION ONE

Ghana has attained the lower-middle income economy status but the country is still described as a Less Economically Developed Country (LEDC). Discuss at least five significant characteristics of LEDC. (15 Marks)

QUESTION TWO

(a) Explain the term 'Budget'.

(3Marks)

(b) In the 2021 Government Budget, the government proposed to spend a total amount of GH¢113.8 billion even though its projected revenue was GH¢72.5 billion giving deficit of about GH¢41.3 billion. However, the country's debt stock as of the end of December 2020 stood at GH¢291.6 billion (US\$50.8 billion), representing 76.1 percent of GDP. Identify three positive effects of this type of budget and describe three key sources through which the Government could finance the 2021 Budget deficit. (12 Marks)

QUESTION THREE

Ghana's agricultural sector is one of the largest sectors of the economy hence the Ministry of Food and Agriculture has rolled out several programmes in the National Agricultural Investment Plan investing for Food and Jobs (IFJ) with the aim of reducing poverty and providing decent jobs for majority of the people. However, several scholars suggest that the agricultural sector still battles with numerous problems which are likely to affect the success of these programmes if they are not solved. Discuss four of these fundamental problems that the agricultural sector faces and suggest two ways to solve these problems. (15 Marks)

QUESTION FOUR

(a) Explain the term 'development planning'.

(2 marks)

(b) Briefly explain two objectives of development planning. (4 Marks)

(c) Discuss three significant reasons for development plan failure in Ghana. (9 Marks)

QUESTION FIVE

- (a) What is economic growth? (3Marks)
- (b) Using a well labelled Production Possibility Frontier, discuss three key factors that can increase economic growth in Ghana (12 Marks)

QUESTION SIX

- (a) In line with the fiscal policy measures outlined to generate more revenue for the government of Ghana for 2022 fiscal year, an imposition of E-levy as a compulsory tax on electronic transactions has been proposed. This proposed E-levy has generated an enduring passionate public debate. Many Ghanaians believe that this proposed tax will make the poor worse off while others argue that the tax should not be accepted because it does not meet the qualities of a good tax. Contribute to this debate by discussing four qualities of a good tax system. (12 Marks)
- (b) Distinguish between direct tax and indirect tax. (3 Marks)