Answer the THREE questions in Section I, ONE question in Section II, and ONE question in Section III as indicated.
SECTION I

Answer the THREE questions in this section.

1. (a) State FOUR characteristics of a:
   (i) Partnership (4 marks)
   (ii) Private limited company (4 marks)

   (b) Discuss TWO advantages a business would enjoy by converting from a partnership to a private limited company. (6 marks)

   (c) Outline THREE ways in which a free market economy differs from a planned or command economy. (6 marks)

   Total 20 marks

2. (a) Compare the private sector with the public sector in terms of the following:
   (i) Ownership and control
   (ii) Objective
   (iii) Source of capital (6 marks)

   (b) Outline TWO benefits a business can provide to EACH of the following:
   (i) A sole proprietor (8 marks)
   (ii) The community

   (c) Discuss TWO ways in which government can promote business activity. (6 marks)

   Total 20 marks

3. (a) State THREE benefits a business may receive from advertising its goods or services. (6 marks)

   (b) Distinguish between advertising and sales promotion, giving TWO examples of EACH. (8 marks)

   (c) A supermarket awards ten scholarships to students each year for outstanding academic achievement. Discuss TWO benefits, to the supermarket, of this public relations activity. (6 marks)

   Total 20 marks

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SECTION II

Answer EITHER Question 4 OR Question 5. Do NOT answer both.

4. (a) Identify FOUR sources of personal income. (4 marks)
(b) 
(i) Explain what is meant by the term ‘budgeting’. (2 marks)
(ii) State TWO advantages of budgeting. (4 marks)
(c) State TWO factors that must be considered when choosing a form of savings. (4 marks)
(d) Discuss TWO reasons for saving money in a bank as opposed to keeping it at home. (6 marks)

Total 20 marks

5. (a) In order to produce goods and services, the five M’s of production – Men, Money, Materials, Machinery and Method – must be present.

Identify the traditional factors of production that EACH of the five M’s, in the above statement, represents. (5 marks)

(b) Distinguish between the following pairs of terms:

(i) Primary production and tertiary production
(ii) Subsistence level production and domestic level production
(iii) Backward linkage and forward linkage (9 marks)

(c) Discuss TWO factors that must be considered when selecting a location for a large shopping mall. (6 marks)

Total 20 marks
SECTION III

Answer EITHER Question 6 OR Question 7. Do NOT answer both.

6. (a) Identify ONE social service provided by the government of your country and evaluate its impact on the country. (4 marks)

(b) Describe the following functions of government:

(i) National security

(ii) Maintenance of safe environment for investors

(iii) Job security (6 marks)

(c) Outline TWO forms of assistance offered by Caribbean governments to businesses. (4 marks)

(d) Discuss TWO actions the government of your country can take to protect the environment. (6 marks)

Total 20 marks

7. (a) (i) Define the term ‘human resources’. (2 marks)

(ii) Outline THREE factors that affect human resource development in any named CARICOM country. (6 marks)

(b) State TWO ways in which human resources can be developed in the country identified in (a) (ii) above. (4 marks)

(c) Identify TWO major economic problems facing Caribbean countries and discuss ONE measure that can be used to address EACH problem. (8 marks)

Total 20 marks

END OF TEST