



ZIMBABWE SCHOOL EXAMINATIONS COUNCIL
General Certificate of Education Ordinary Level

ECONOMICS
PAPER 1 Multiple Choice

4050/1

JUNE 2023 SESSION

1 hour 30 minutes

Additional materials:

- Multiple Choice answer sheet
- Soft clean eraser
- Soft pencil (type B or HB is recommended)

TIME 1 hour 30 minutes

INSTRUCTIONS TO CANDIDATES

Do not open this booklet until you are told to do so.

Write your name, centre number and candidate number on the answer sheet in the spaces provided unless this has already been done for you.

There are **forty** questions in this paper. Answer **all** questions. For each question, there are four possible answers, **A, B, C** and **D**. Choose the **one** you consider correct and record your choice in **soft pencil** on the separate answer sheet.

Read very carefully the instructions on the answer sheet.

INFORMATION FOR CANDIDATES

Each correct answer will score **one** mark. A mark will **not** be deducted for a wrong answer. Any rough working should be done in this booklet.

This question paper consists of 11 printed pages and 1 blank page.

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1. Identify the index used to compare standard of living between countries
 - A GDP per head
 - B GDP at factor cost
 - C GNP at market price
 - D Net property income from abroad

2. The correct pair representing internal sources of finance is
 - A running down stocks and subsidies
 - B factoring of debts and selling debentures
 - C sale of existing assets and bank loans
 - D owner's savings and retained profits

3. Select the set with the correct combination of the contents found in a memorandum of association
 - A company objectives, amount of share capital, rights and duties of directors
 - B name and address of company, company objectives, amount of share capital
 - C rules concerning election of directors, number of shares, rights and duties of directors
 - D procedure to be followed when issuing shares, amount of share capital, company objectives

4. The long run is defined as a period
 - A when at least one factor of production is fixed
 - B when all factors of production are variable
 - C of ten (10) years in production
 - D when all factors of production are fixed

5. A minimum price will only affect a market if
 - A It is set below the equilibrium price
 - B It is set above the equilibrium price
 - C It is set at the equilibrium price
 - D It is set below and above the equilibrium price

6. Suppose there are 100 identical firms in the industry each willing to supply 10 ventilators at a given price. What is the market supply?
- A 10
B 100
C 1000
D 1010
7. An example of a determinant of supply that results in a leftward shift of the supply curve is
- A an improvement in relevant technology
B an increase in the price of needed input
C an increase in consumer incomes
D an increase in number of firms in the industry
8. The table below shows the price, quantity demanded and quantity supplied to a market. Find the equilibrium price and quantity

Price(\$)	Quantity demanded	Quantity supplied
1	40	10
3	30	15
5	20	20
8	10	25

- A \$1 and 10units
B \$3 and 30units
C \$5 and 20units
D \$8 and 15units



9. Labor productivity can be improved by
- A increasing wages
 - B training of workers
 - C increasing number of employees
 - D reducing wages
10. In 2020 a firm produced 3800 carats of diamonds with 190 workers. Calculate the labor productivity for the firm.
- A 0.05 carats per worker
 - B 0.5 carats per worker
 - C 2 carats per worker
 - D 20 carats per worker
11. The government can assist workers by
- A increasing indirect tax
 - B increasing income tax
 - C imposing maximum wage
 - D imposing minimum wage
12. Superbright Pvt Ltd had the following at its disposal for carrying out production; delivery van, planter, shifting spanner and tractor. All these describe the private limited company's
- A land
 - B labour
 - C entrepreneur
 - D capital



13. The reward for capital is
- A rent
 - B wage
 - C profit
 - D interest
14. In a market economy the decision of what to produce is determined by
- A consumer demand
 - B government regulations
 - C corporate leadership
 - D labour union
15. A fair distribution of income and wealth in an economy can be done through the use of
- A progressive tax
 - B price mechanism
 - C branding of products
 - D product advertisement
16. Capital intensive production answers which basic economic question?
- A how to produce?
 - B what to produce?
 - C for whom to produce?
 - D when to produce?



17. Wildlife, forestry and fisheries belong to which factor of production?
- A capital
 - B labour
 - C enterprise
 - D land
18. The basic economic questions are
- A what to produce ,when to produce, and why to produce
 - B how to produce ,when to produce and for whom to produce
 - C how to produce, for whom to produce ,what to produce
 - D what to produce, how to produce and when to produce
19. Identify a characteristic of an economic union
- A a common external tariff
 - B a common import duty
 - C a common external tariff and a common import duty
 - D a single currency and common economic policies
20. The main function of a central bank is
- A clearing cheques
 - B assist homebuyers
 - C controlling the country's currency
 - D encourage savers

21. Banks that offer mortgage loans are called
- A merchant banks
 - B commercial banks
 - C building societies
 - D central banks
22. Identify a statement that correctly describes cost push inflation
- A a general increase in the price level due to weather
 - B a general increase in the price level due to increases in the price of inputs
 - C a general increase in the price level due to too much money chasing too few goods
 - D a general increase in the price level due to structural changes
23. From the following indices, which one is used to measure cost of living
- A human development index
 - B consumer price index
 - C GDP per capita
 - D export price index
24. Birth rate is calculated as
- A $(\text{number of live births} / \text{population}) \times 100$
 - B $(\text{number of deaths} / \text{population}) \times 100$
 - C $(1000 / 100) \times \text{number of live births}$
 - D birth rate - death rate



25. An example of a merit good is
- A vaccination
 - B streetlights
 - C tobacco
 - D pastures
26. Optimum population, is described by
- A output per person is very low
 - B output per person is fast increasing
 - C output per person is at its maximum
 - D output per person is falling
27. Investment in infrastructure will benefit the economy through,
- A increased inflation
 - B reduced literacy
 - C environmental degradation
 - D sustainable development
28. The real GDP of a country rose from \$16 billion to \$20 billion. Calculate the growth rate
- A 10%
 - B 20%
 - C 25%
 - D 80%



29. State an advantage of economic growth and development
- A increased output
 - B increased pollution
 - C exhaustion of resources
 - D decrease in population
30. State the formula for calculating terms of trade
- A retail price index in the current year minus retail price index in the base year
 - B export of services minus import of services
 - C $(\text{index of export prices}/\text{import price index}) \times 100$
 - D export index minus import index
31. What effect will imposition of a tariff have on prices and production in the country imposing the tariff?
- A prices rise, production rise
 - B prices rise, production falls
 - C prices fall, production falls
 - D prices fall, production rise
32. The following are uses of national income statistics except,
- A to measure standard of living within the country
 - B can be used to seek financial assistance from international financial institutions
 - C to measure the rate of economic growth
 - D to determine the quality of goods produced



33. The other name for demand deficiency unemployment is
- A technological
 - B frictional
 - C seasonal
 - D cyclical
34. From the following variables, which one is a component of national income
- A inflation
 - B unemployment
 - C investment
 - D externalities
35. A cooperative is described as
- A when two or more businesses agree to start a new project
 - B groups of people who agree to work together and pull their resources
 - C a group of between two and twenty people who agree to own a business
 - D a group of businesses based on the use of a brand name
36. Normal profits are earned when
- A $AR = AC$
 - B $MC = MR$
 - C $AR > MC$
 - D $AR > AC$



37. Identify a fixed cost to a manufacturing firm
- A insurance premium on buildings
 - B overtime payments to workers
 - C the cost of energy
 - D the cost of raw materials
38. The major differentiating feature between monetary policy and fiscal policy is that
- A fiscal policy is implemented by the central bank while monetary policy is implemented by local authority
 - B fiscal policy instruments are government spending and taxes while monetary policy instruments are money supply and interest rates
 - C fiscal policy solves unemployment while monetary policy solves inflation
 - D fiscal policy is a supply side policy whilst monetary policy is a demand side policy
39. List the documents used in setting up a private limited company, in their order
- A certificate of incorporation, memorandum of association, trading certificate
 - B trading certificate, certificate of incorporation, articles of association
 - C memorandum of association, articles of association, certificate of incorporation
 - D memorandum of association, certificate of trading, articles of association
40. which is the correct formula for calculating unemployment?
- A $(\text{unemployment}/\text{labour force}) \times 100$
 - B $(\text{unemployed}/\text{total population}) \times 100$
 - C $(\text{labour force}/\text{unemployed}) \times 100$
 - D $(\text{employed}/\text{total population}) \times 100$





ZIMBABWE SCHOOL EXAMINATIONS COUNCIL
General Certificate of Education Ordinary Level

ECONOMICS
PAPER 2 Data Response

4050/2

JUNE 2023 SESSION

1 hour 15 minutes

Additional materials:
Answer paper

TIME 1 hour 15 minutes

INSTRUCTIONS TO CANDIDATES

Write your name, centre number and candidate number in the spaces provided on the answer paper/answer booklet.

Answer both questions.

Write your answers on the separate answer paper provided.

If you use more than one sheet of paper, fasten the sheets together.

Calculators may be used.

INFORMATION FOR CANDIDATES

The questions in this paper carry equal marks. The number of marks is given in brackets [] at the end of each question or part question.

You should spend at least 5 minutes reading through the data for each question before you begin writing answers.

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1. MORE LOADSHEDDING FOR SADC

SADC should brace for increased electricity load shedding between now and 2025 due to lack of investment and implementation of regional power projects. The reasons for the deficit included economic growth and development of more than 50% in most of the SADC member countries resulting in growth in electricity consumption and demand. There has also been an increase in supply by 40% due to an increase in price of electricity from \$1 per kilowatt to \$1.20 per kilowatt before the energy Board negotiated for the prices to be reviewed downwards.

Furthermore, inadequate investments in generation and transmission infrastructure over the last twenty years caused shortage while electrification programs have partly contributed to the increased consumption and demand.

ADAPTED FROM: THE SUNDAY MAIL 24 /10/2021

- (a) (i) State the law of supply. [2]
- (ii) Outline any two determinants of supply [2]
- (b) Using information from the extract, calculate price elasticity of supply (P.E.S). [4]
- (c) Explain any two benefits to a country of being a member of a trading bloc. [4]
- (d) Discuss two advantages and two disadvantages of economic development. [8]

2. VALUE ADDITION WILL UNLOCK ZIM'S EXPORT POTENTIAL

The ongoing efforts by the Second Republic towards structural transformation from an exporter of mainly primary products to value added products will unlock the export potential of the country. The National Development Strategy 1, aims to add more value to Zimbabwe's exports, improve local industries, create more jobs and substitute imports.

Developing local value chains will also maximize revenues and promote sustainable use of the country's natural resources. Adding value to exports will increase trade and attract investments which will increase economic growth and development.

ADAPTED FROM: THE SUNDAY MAIL 1 AUGUST 2021

- (a) Define the following terms



- (i) International trade [2]
- (ii) Value addition [2]
- (b) (i) Identify any **two** components of national income mentioned in the passage. [2]
- (ii) Describe any **one** way of sustainable use of resources. [2]
- (c) Explain any **two** benefits of economic growth and development. [4]
- (d) Discuss any **two** positive effects and any **two** negative effects of protectionism. [8]





ZIMBABWE SCHOOL EXAMINATIONS COUNCIL
General Certificate of Education Ordinary Level

ECONOMICS

4050/3

PAPER 3 Essays

JUNE 2023 SESSION

2 hours

Additional materials:
Answer paper.

TIME 2 hours

INSTRUCTIONS TO CANDIDATES

Write your name, centre number and candidate number in the spaces provided on the answer paper/answer booklet.

Answer any **four** questions.

Write your answers on the separate answer paper provided.

If you use more than one sheet of paper, fasten the sheets together.

INFORMATION FOR CANDIDATES

The number of marks is given in brackets [] at the end of each question or part question.

You are reminded of the need for good English and clear presentation in your answers.

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1. (a) Describe any **four** ways that can be used to control population growth [8]
- (b) Explain any **three** economic factors contributing to the spread of HIV and AIDS in a developing country as Zimbabwe [12]
2. (a) Explain the following
- (i) Unemployment, [4]
- (ii) Labour force. [4]
- (b) Explain any **four** ways of reducing the problem of unemployment in a country [12]
3. (a) Outline any **five** characteristics of home trade. [10]
- (b) Explain any **five** problems of free trade [10]
4. (a) Explain the following terms
- (i) Economic growth [4]
- (ii) Economic development [4]
- (b) Describe any **four** causes of economic growth. [12]
5. (a) Giving examples explain the following term
- (i) needs, [4]
- (ii) wants. [4]
- (b) Using the following questions, what to produce, how to produce and for whom to produce, show how needs and wants are satisfied in a market economy. [12]
6. (a) Outline any **four** reasons for horizontal integration. [8]
- (b) Distinguish between direct and indirect production. [12]
7. (a) Explain any **four** factors affecting climate change. [8]
- (b) Discuss any **four** negative effects of climate change on production. [12]



8. (a) Outline any **four** features of a monopoly market structure. [8]
- (b) Describe any **four** costs of Multinational companies (MNCs) to the host country. [12]
9. Discuss any **five** limitations of using national income statistics in measuring living standards in a country. [20]
10. (a) Outline any **four** causes of cost push inflation. [8]
- (b) Explain the effects of inflation on any **three** functions of money. [12]

