ZIMBABWE SCHOOL EXAMINATIONS COUNCIL

General Certificate of Education Ordinary Level

ECONOMICS 4050/2

PAPER 2 Data Response

SPECIMEN PAPER 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.

Only brief answers are required.

INFORMATION FOR CANDIDATES

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

You are recommended to spend at least five minutes reading through the data for each question before you begin writing your answers.

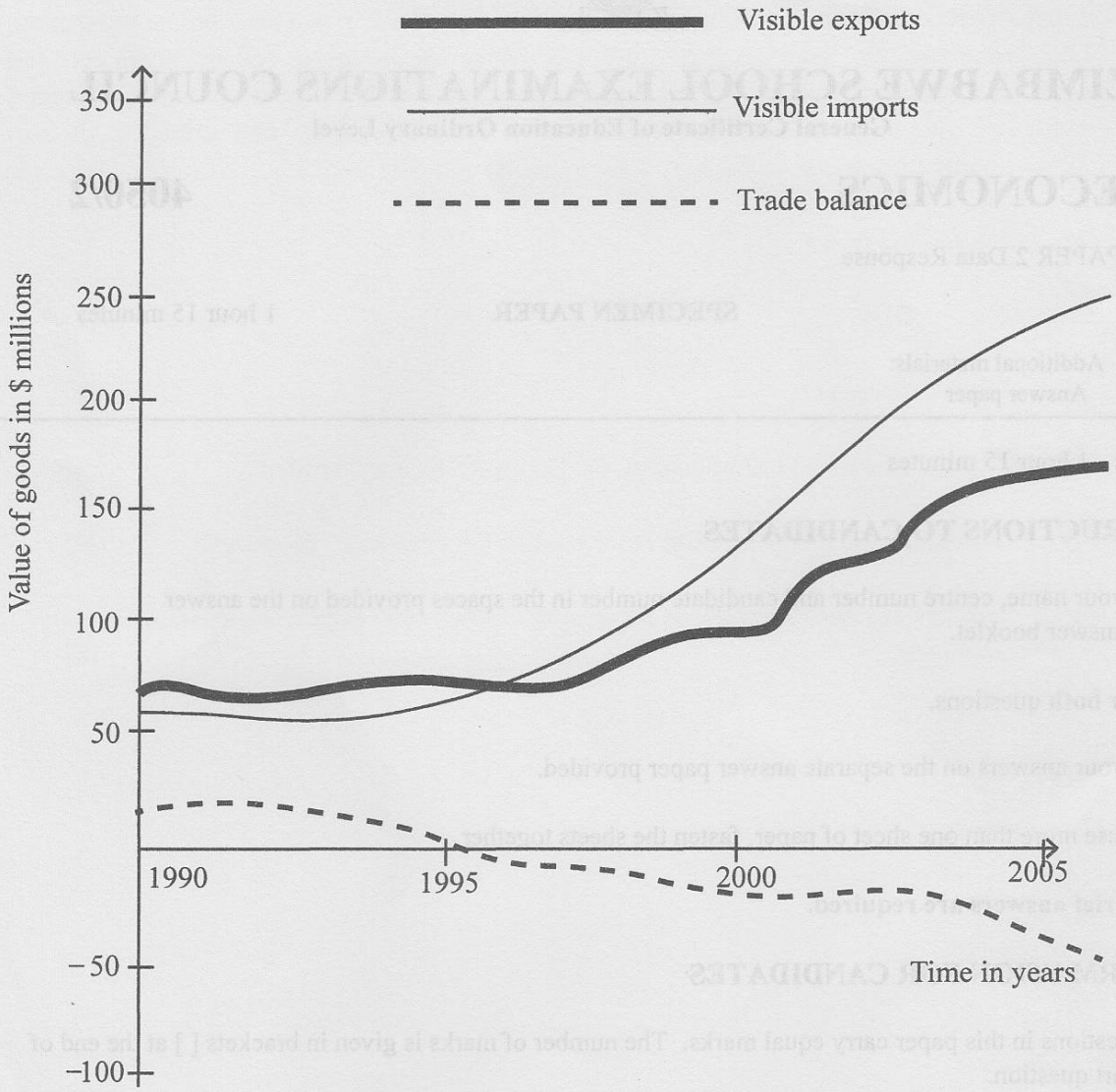
This question paper consists of 3 printed pages and 1 blank page.

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[Turn over

1 ZIMBABWE TRADE BALANCE BETWEEN 1990-2005

The graph shows Zimbabwe's Trade Balance between 1990-2005



(a) **(i)** Define the term trade balance. [2]

(ii) What is the difference between visible exports and visible imports? [2]

(b) Describe Zimbabwe's trade balance trend between 1990 and 2005. [2]

(c) Explain any **three** methods Zimbabwe can use to reduce its imports. [6]

(d) Discuss any **four** benefits of international trade. [8]

2 RECESSION IN SOUTHERN AFRICA

In 2008 South Africa, Zimbabwe and Botswana were in a period of recession. GDP in South Africa and Zimbabwe fell by 0,2% and 3% respectively between January and June. The weakest of the three countries was Botswana where output fell by 0,5% between April and June. In light of the recession, the South African government encouraged consumer spending by introducing a reduction in both income and sales tax. It also approved other measures to increase employment opportunities.

(a) Define the terms

(i) GDP [2]

(ii) Recession [2]

(b) Classify the taxes introduced by the South African government. [4]

(c) Why does the article refer to Botswana as the "weakest" economy? [4]

(d) Discuss any **four** benefits of increasing employment opportunities in an economy. [8]

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