



EXAMINATIONS COUNCIL OF ESWATINI
Eswatini General Certificate of Secondary Education

CANDIDATE
NAME

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CENTRE
NUMBER

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CANDIDATE
NUMBER

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ECONOMICS

6899/02

Paper 2

October/November 2024

2 hours

Candidates answer on the Question Paper
No additional material required

READ THESE INSTRUCTIONS FIRST

Write your name, Centre number and candidate number in the spaces provided.

Write in dark **blue** or **black** pen.

You may use a soft pencil for any diagrams, graphs or rough working.

Do **not** use staples, paper clips, highlighters, glue or correction fluid.

This paper consists of **four** questions, answer **all** questions.

You may use a calculator.

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

For Examiner's Use	
Question 1	
Question 2	
Question 3	
Question 4	
Total	

This document consists of **13** printed pages and **3** blank pages.

Answer all **four** questions

- 1** A country can use one of the economic systems to allocate its scarce resources. In a market system there is freedom of association, hence workers can be members of trade unions. Moreover, a country's production capacity constantly changes and this can be illustrated by shifts in a Production Possibility Curve (PPC).

(a) State **one** advantage of exploiting natural resources.

.....
 [1]

(b) Explain what is meant by market failure.

.....

 [2]

(c) Explain any **two** benefits consumers gain from a market economic system.

- (i)**

(ii)

 [4]

Analyse the differences between the three points.

..... [7]

..... [6]

[6]

- 2** Borrowing is one of the ways used by firms as a source of finance for growth. Large firms such as multinational companies use capital-intensive methods of production and earnings for their employees usually change over time.

(a) State **three** influences that affect the amount of money borrowed by firms.

- (i)**
.....
- (ii)**
.....
- (iii)**
..... [3]

(b) Explain what is meant by the following terms:

(i) Capital-intensive method of production

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(ii) Conglomerate integration

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.....
..... [4]

(c) Explain **two** reasons why workers in the tertiary sector may be paid more than workers in the primary sector.

(i)

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(ii)

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..... [4]

(d) Analyse how an individual's earnings might change over time.

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..... [3]

..... [6]

- 3** All economies use policies such as the fiscal policy to achieve macroeconomic aims. These aims include economic growth and price stability. Furthermore, it is the responsibility of the government to collect tax from individuals and companies and prepare the budget for a smooth operation of the economy.

(a) State **one** example of a fiscal policy.

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..... [1]

(b) Define the following terms:

(i) Budget

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(ii) Interest rates

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(iii) Gross National Product

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..... [6]

(c) Explain why governments impose taxes.

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..... [4]

(d) Discuss how monetary policy can be used to encourage firms to produce more products.

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..... [3]

..... [6]

- 4 Eswatini, a member of the Southern African Development Community (SADC) is one of the countries facing the challenge of HIV/AIDS in the world. This has influenced the structure of the population of the country. The country is involved in international trade and protectionism is practised.

(a) Identify **three** effects of an ageing population.

- (i)
.....
- (ii)
.....
- (iii)
..... [3]

(b) Explain what is meant by the following terms:

(i) Exchange rates

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(ii) Trade in goods

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..... [4]

[7]

[6]

[6]

