



**ZIMBABWE SCHOOL EXAMINATIONS COUNCIL**  
General Certificate of Education Advanced Level

**ECONOMICS**  
PAPER 3

**4050/3**

**SPECIMEN PAPER**

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 papers 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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**This specimen paper consists of 3 printed pages and 1 blank page.**

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- 1 (a) Outline any **four** features of a free market economy. [8]
- (b) Explain any **four** advantages of a free market economy. [12]
- 2 Explain any **five** causes of wage differentials between workers in the same industry in a developing country such as Zimbabwe. [20]
- 3 (a) Explain any **four** determinants of demand. [8]
- (b) Using diagrams, describe;
- (i) Change in quantity supplied and, [6]
- (ii) change in supply. [6]
- 4 (a) With reference to market structures describe;
- (i) abnormal profit [3]
- (ii) normal profit [3]
- (b) With the aid of a diagram explain the short run equilibrium position of a firm in monopolistic competition. [12]
- 5 Explain any **five** reasons for continued existence of Small to Medium Enterprises (SMEs) despite competition from large firms. [20]
- 6 (a) Outline any **four** uses of National Income Statistics. [8]
- (b) Discuss any **four** limitations of National Income Statistics in assessing living standards of people in a country. [12]
- 7 (a) Explain any **four** problems of barter trade. [8]
- (b) Describe any **four** functions of commercial banks in the economic development of a country. [12]
- 8 (a) Describe any **four** ways to control population growth. [8]
- (b) Explain any **three** economic factors contributing to the spread of HIV and AIDS in a developing country such as Zimbabwe. [12]

- 9** (a) State any **four** advantages of foreign trade. [8]
- (b) How does Zimbabwe protect itself from foreign trade? [12]
- 10** (a) Outline any **four** characteristics of a developing economy. [8]
- (b) Explain any **four** effects of economic growth and development. [12]

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