EXAMINATIONS COUNCIL OF ESWATINI
Eswatini General Certificate of Secondary Education

CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER				

ECONOMICS **6899/02**

Paper 2 **October/November 2025**

2 hours

Candidates answer on the Question Paper
Additional material: Calculator

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.

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.

For Examiner's Use

Answer all **four** questions

1 Economies are sustained by the availability of resources; hence it is advisable to allocate them wisely. Economic systems such as the market, planned and the mixed economy allocate resources differently. Furthermore, natural resources can be converted into usable products that can be demanded by consumers.

(a) State **three** causes of changes in demand for a product.

(i) .....

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(ii) .....

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(iii) .....

..... [3]

(b) Explain **two** disadvantages of exploiting resources in an economy.

(i) .....

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(ii) .....

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..... [4]

(c) **(i)** Explain how resources are allocated in a mixed economy.

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(ii) Using a Production Possibility Curve (PPC), analyse the effect of a decrease of some of the resources on an economy.

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For Examiner's Use

(d) Discuss whether economies should allocate resources using the market economy.

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2 There are different types of business organisations such as partnerships in Eswatini. Some organisations have workers who are mostly members of trade unions. Most large business organisations use capital intensive methods of production which allows them to specialise. For smooth running of business organisations, an effective banking sector is of importance in any economy.

(a) State **three** functions of trade unions.

(i) .....

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(ii) .....

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(iii) .....

..... [3]

(b) Explain **two** functions of a commercial bank.

(i) .....

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(ii) .....

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(c) Analyse the effects of changing a partnership to a public limited company.

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(d) Discuss whether it is advisable for workers to specialise.

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3 The government influences private producers through different policies so that full employment may be achieved in an economy. The rate of employment and gross domestic product (GDP) per head varies throughout the phases of the economic cycle.

(a) Identify **three** phases of the economic cycle.

(i) .....

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(ii) .....

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(iii) .....

..... [3]

(b) Define the following terms:

(i) Seasonal unemployment

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..... [2]

(ii) Cyclical unemployment

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(c) Analyse why a government might be concerned about a fall in economic growth.

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(d) Explain how the government may influence private producers using the following policies:

(i) Subsidies

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..... [2]

(ii) Regulation

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(e) Discuss whether real GDP per head is an ideal measure to compare living standards between countries. Justify your answer.

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4 Most countries around the world are members of a regional trading bloc such as the Southern African Development Community (SADC). The member countries enjoy free trade. Transactions between the countries are recorded in the balance of payments account.

(a) Give **three** components of the current account balance of payments.

(i) .....

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(ii) .....

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(iii) .....

..... [3]

(b) Explain **two** policies that can be used in Eswatini to alleviate poverty.

(i) .....

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(ii) .....

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(c) Analyse the importance of Southern African Development Community (SADC) to Eswatini.

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(d) Discuss whether it is wise for a country to have a deficit on the current account of its balance of payments.

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