



BOTSWANA EXAMINATIONS COUNCIL
Botswana General Certificate of Secondary Education

CANDIDATE
NAME

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CENTRE
NUMBER

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CANDIDATE
NUMBER

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ECONOMICS

1443/01

Paper 1 Specimen

October/November 2025

1 hour 15 Minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

INSTRUCTIONS

- Answer **all** questions.
- Use black or dark blue pen.
- Write your candidate name, Centre number and candidate number in the spaces provided at the top of this page.
- Write your answer to each question in the space provided.
- Do not use an erasable pen or correction fluid.
- **DO NOT WRITE IN ANY BARCODES.**
- You may use an HB pencil for any diagrams, graphs or rough working.
- You may use a calculator.

INFORMATION

- The total mark for this paper is 50.
- The number of marks for each question or part question is shown in brackets [].
- Where layouts are to be completed, you may not need all the lines for your answer.
- The businesses mentioned in this Question Paper are fictitious.

For Examiner's Use	
1	
2	
3	
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Total	

SECTION A [10 marks]**1. Circle the correct answer for questions a – j**

- a. Economics is the study of
- A. the allocation of scarce resources to satisfy limited wants
 - B. the choice we make because of scarcity
 - C. the distribution of surplus goods to those in need
 - D. the ways to reduce wants to eliminate the problem of scarcity
- b. What classical economic theory did Adam Smith employ to describe how equilibrium price is reached in a market?
- A. monopoly pricing
 - B. perfect competition
 - C. monopoly
 - D. perfect pricing
- c. There has been a movement upwards along the supply curve of a product. What is the most likely explanation for this?
- A. consumer incomes have fallen
 - B. new technology has made the product cheaper to produce
 - C. the price of a substitute product has decreased
 - D. the price of the product has increased
- d. What could lead to an increase in the price of notebooks as well as a rise in quantity of notebooks sold at a college?
- A. a decrease in business taxes
 - B. a decrease in the duration of a semester
 - C. an increase in salaries of notebook producers
 - D. an increase in student's monthly allowance
- e. A supply curve shows the relationship between which two variables?
- A. consumer tastes and quantity supplied
 - B. money income and quantity supplied
 - C. price and production costs
 - D. price and quantity supplied
- f. The government of country Z has warned Barbules (Pty) Ltd against exploitation of workers. Which intervention could the government use to protect workers of Barbules (Pty) Ltd?
- A. increasing salaries
 - B. increasing taxes
 - C. setting a maximum wage
 - D. setting a minimum wage

g. How is the government most likely to increase economic growth?

- A. increase interest rates
- B. increase taxation rates
- C. provide incentives to invest
- D. provide incentives to save

h. A government increased revenue by increasing taxes on firms' profits.

Which tax did it increase?

- A. corporate tax
- B. customs duty
- C. excise duty
- D. income tax

i. A firm that sells its products for P6 a unit has the following total costs.

output (units)	0	10	20	30
total costs (p)	40	100	120	150

Which statement is correct?

- A. average cost is lowest when 10 units are produced
- B. the firm does not make any profits when 20 units are produced
- C. the firm has no fixed costs
- D. total variable costs fall continuously over these outputs

j. Saudi Arabia specialises in oil extraction and refining.

What might be a disadvantage of this specialisation?

- A. oil companies have high training costs as each worker needs many different skills
- B. oil companies may find it difficult to achieve economies of scale
- C. resource allocation is inefficient because a narrow range of goods is being produced
- D. workers face a wide range of job opportunities

SECTION B [40 marks]

Answer all the questions in this section in the spaces provided.

2. a) Explain any **two** factors of production.

.....

 [4]

- b) State **one** difference between microeconomics and macroeconomics.

..... [2]

- c) Explain **two** advantages of a planned economic system.

..... [4]

3. a) Explain the term market equilibrium.

..... [2]

- b) Table 1. Shows the costs of production for a business.

Table 1

Unit of labour	Total Product (Units)	Total Fixed Cost (P)	Total Variable Cost (P)	Total Cost (P)	Average Fixed Cost (P)	Average Variable Cost (P)
0	0	9 000	0	9 000	-	0
1	16	9 000	2 400	11 400	562.50	150.00
2	44	9 000	4 800	A	204.55	109.09
3	78	9 000	7 200	16 200	B	92.31
4	113	9 000	9 600	18 600	79.65	84.96

Use information in Table 1 to calculate the values of **A** and **B**. Show your working.

A

.....
 [2]

B

.....
 [2]

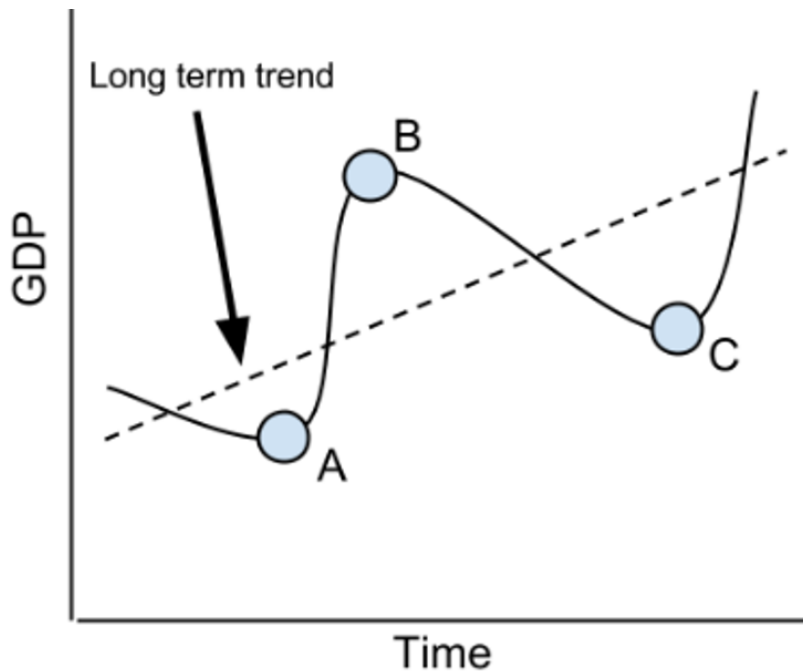
c) Explain **two** disadvantages of globalisation to an economy.

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 [4]

4.

Figure 1: Trade cycle



- a) Explain **two** characteristics of the phase labelled **B** to **C** in the trade cycle diagram in Figure 1.

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..... [4]

- b) State **three** interventions through which the government can influence production.

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..... [3]

- c) List **three** characteristics of perfect competition.

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..... [3]

5. a) State **three** causes of exchange rate fluctuations.

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..... [3]

- b) Explain **two** effects of an appreciation of the Pula on businesses in Botswana that import machinery.

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..... [4]

- c) Identify **three** types of economies of scale.

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..... [3]

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