



**KWAZULU-NATAL PROVINCE**

EDUCATION  
REPUBLIC OF SOUTH AFRICA

**CURRICULUM GRADE 10 - 12 DIRECTORATE**

**NCS (CAPS)**

**STEP AHEAD REVISION  
LEARNER SUPPORT**

*Stanmorephysics.com*

**DOCUMENT**

**GRADE 11: Term 1-4**



**ECONOMICS**



# 2024

## PREFACE

This support document serves to assist Economics teachers on how to deal with curriculum gaps. It also addresses the challenging topics in the Grade 11 curriculum. The lesson plans should be used in conjunction with the 2024 Annual Teaching Plan, 2021-2023 Grade 11 Step Ahead Teacher Support Document and Grade 11 2021-2023 Step Ahead Learner Support Document. Activities should serve as a guide on how to assess topics dealt with in this document. It covers the following topics:

NO.	TOPIC
1.	Factors of Production
2.	Circular Flow
3.	Economic System
4.	Economic Structure
5.	Relationship between markets
6.	Effect Cost and revenue
7.	Price Elasticity of Demand and Supply
8.	Economic growth
9.	Economic Development
10.	Money and Banking

11.	Globalisation
12.	Environment Deterioration

TOPIC 1: FACTORS OF PRODUCTION

ACTIVITY 1

1.1	Match the concepts in column A to description in column B. Write only the correct letter next to the question number .e.g (1.2.9 J).		
	<b>COLUMN A</b>	<b>COLUMN B</b>	
1.1.1	Procurement	A	The remuneration from the sale of a factor of production which is scarce
1.1.2	Land	B	Is made possible by the availability of natural resources.
1.1.3	Intermediate goods	C	People who specialize in the production process
1.1.4	Rent	D	Any particular area geographical location where production takes place
1.1.5	Physical capital	E	Goods that are undergone production process that are not ready for consumption
1.1.6	Division of labour	F	Purchasing of goods and services for business purposes
		G	All man- made physical assets like plant and machinery, tools, buildings, roads etc are the various forms of physical capital

(6x1) [6]

1.2 Give ONE term for each of the following descriptions. Write only the term next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK. Abbreviations, acronyms, and examples will NOT be accepted.

1.2.1 The person who takes a risk to start the business.

1.2.2 Resources that can be replace themselves or reform over period of time.

1.2.3 Resources that are plentiful in nature and have no exchange value.

1.2.4 Accumulation of more resources stock in a country such as machinery.

1.2.5 The actual payment that a worker receives each day, week or at the end of each month.

(5x1) [5]

## ACTIVITY 2

2.1 Study the cartoon below and answer the questions that follow.

1. Land

2. Labour

3. Capital

4. Enterprise

www.economicsonline.co.uk

Source: stock-market-cartoon1

2.1.1 Identify the economic term depicted by the cartoon above?

(1)

2.1.2 Name any ONE classification of labour.

(1)

2.1.3 Briefly describe the term *capital*.

(2)

2.1.4 Explain the impact of EPWP in the economy.

(2)

2.1.5 Why do we need entrepreneurs in the economy of South Africa?

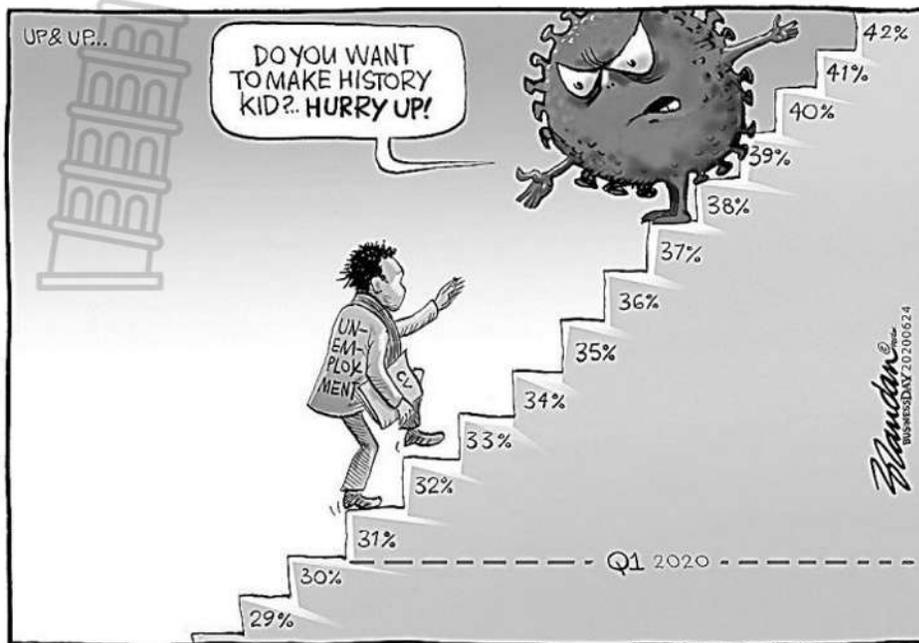
(4)



### Activity 3

3.1. Study the cartoon below and answer the questions that follow.





[Source: <https://www.businesslive.co.za>move]

3.1.1. Which production factor is represented in the cartoon above?

(1)

3.1.2. What is the remuneration received by this production factor?

(1)

3.1.3. Briefly describe the concept labour!

(2)

3.1.4. Why South Africa have a large supply of unskilled workers?

(2)

3.1.5. What is the impact of technology on unemployment in South Africa?

(2 x 2)

(4)

3.2. Discuss the role of households in an open circular flow

(4 x 2) (8)

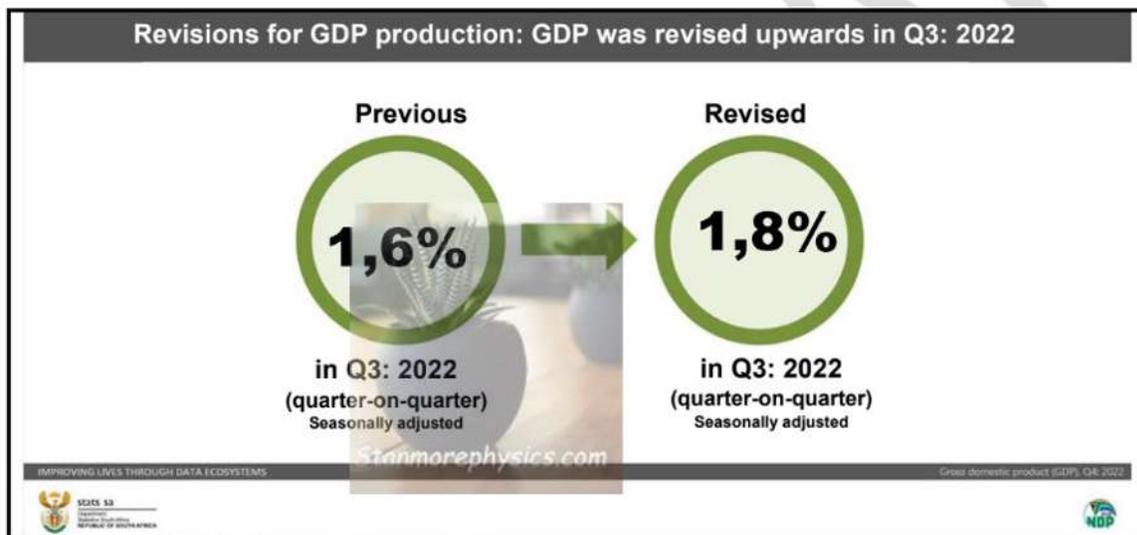
## Activity 4

### 2.1 Answer the following questions.

4.1.1 Name TWO classifications of capital. (2 x 1) (2)

4.1.2 Why do people with scarce skills receive higher wages? (1 x 2) (2)

4.2 Study the information below and answer the questions that follow.



[Source : <https://www.statssa.gov.za>]

4.2.1 Identify method of GDP determines production at basic price?

(1)

4.2.2 Name the institution besides Statistics SA publishes statistics in SA?

(1)

4.2.3 Briefly describe the term Gross Domestic Product

(2)

4.2.4 How can economic growth be increased in South Africa?

(2)

4.2.5 Why do countries revise their national accounts?

(2 x 2) (4)



## Activity 5

5.1 Study the extract below and answer the questions that follow.

**RAMAPHOSA ENCOURAGES ENTREPRENEURSHIP AMONG YOUNG SOUTH AFRICANS**

*Dineo Bendile*

JOHANNESBURG – Deputy President Cyril Ramaphosa says government is trying to reignite the spirit of entrepreneurship among young South Africans.

The deputy president has stressed not only the importance of seizing educational opportunities, but also of encouraging entrepreneurship.

He has told young people that they have a large role to play in the growth of South Africa's economy.

Ramaphosa's spokesperson, Tyrone Seale says, "As we create these opportunities, we are doing so holistically. We're looking at them as total citizens and total social beings ..."

[Edited by Tamson Wort – News 24]

2.1.1 Identify ONE other factor of production not mentioned in the extract above.

(1)

2.1.2 Before which year would this extract have been written?

(1)

2.1.3 Describe the term entrepreneur.

(2)

2.1.4 Why are educational opportunities important for entrepreneurship?

(2)

2.1.5 What is the difference between a successful entrepreneur and an unsuccessful entrepreneur? (2 x 2) (4)

2.2 Differentiate between renewable and non-renewable resources.  
(8)

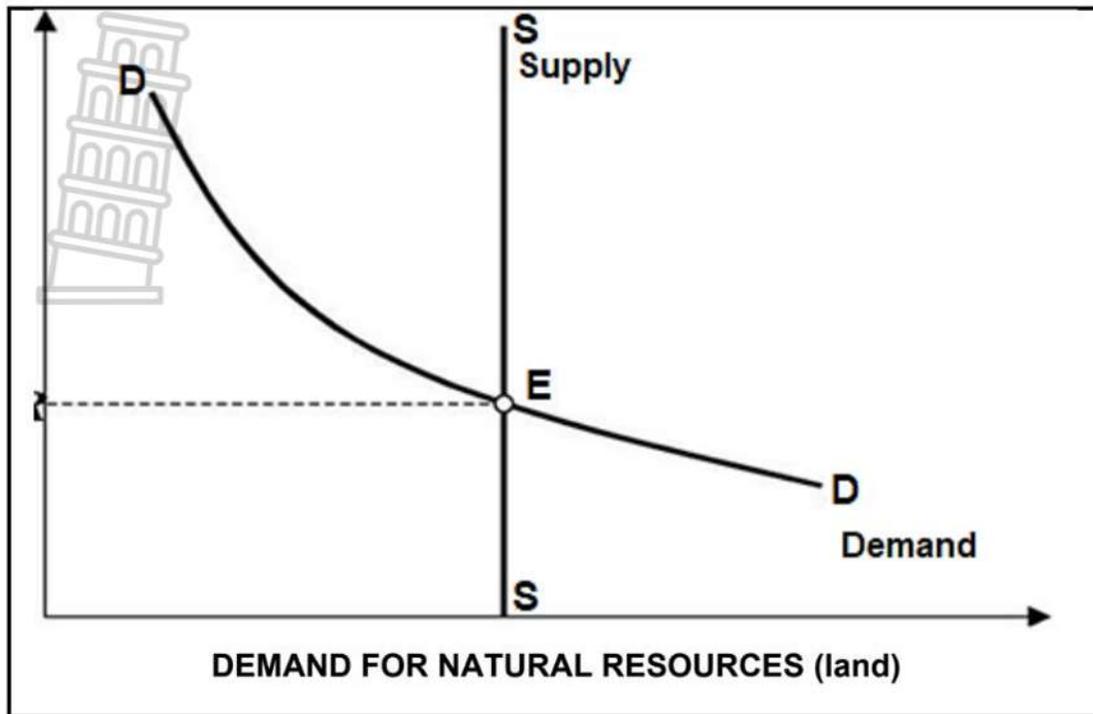
2.3 How has the South African government responded to COVID-19's social and economic impact? (8)



**Activity 3**

3.1 Study the graph below and answer the questions that follow.





[Adapted from [google images](#)]

3.1.1 Name an example of a non-renewable resource.

(1)

3.1.2 What is the importance of natural resources to the economy?

(1)

3.1.3 Briefly describe the term natural resource.

(2)

3.1.4 Explain the relationship between the scarcity of land and rent.

(2)

3.1.5 Redraw the graph in your ANSWER BOOK and show what will happen to the price of land (rent) if there is an increase in the demand for land.

(2 x 2)

(4)

3.2 Discuss the characteristics of a market economy.

(4 x 2)

(8)

3.3 How is Black Economic Empowerment ensuring community participation in South Africa? (8)



#### Activity 4

#### 4.1 Answer the following questions.

4.1.1 Name any TWO sources of wealth.

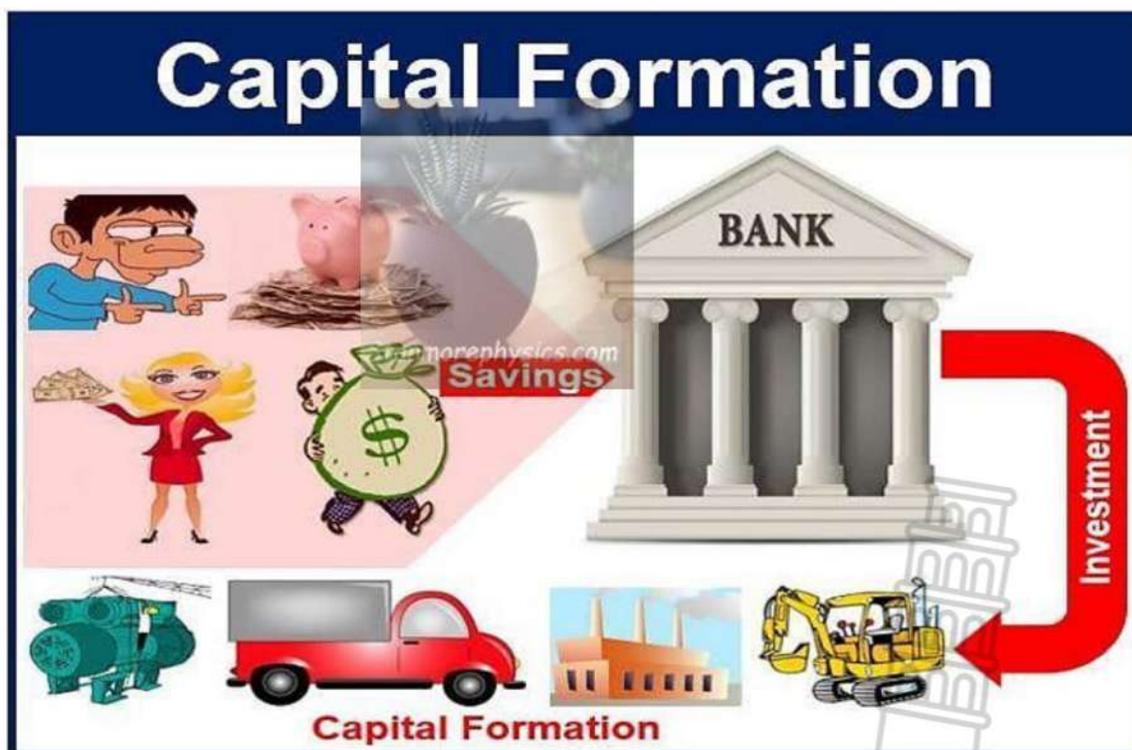
(2 x 1)

(2)

4.1.2 How will an increase in interest rates influence consume spending?

(1 x 2) (2)

4.2 Study the information below and answer the questions that follow.



[Source: <https://marketbusinessnews.com>]

4.2.1 Name an example of capital goods.

(1)

4.2.2 Indicate the remuneration for capital.

(1)

4.2.3 Briefly describe the term capital formation.

(2)

4.2.4 Outline the importance of savings for the creation of capital goods.

(2)

4.2.5 Why is capital formation important to the South African economy?

(4)

### Activity 5

• Discuss the economic importance of the following factors of production for the producers of goods and services:

- Labour

(8)

- Capital

(8)

- Natural resources

(10)



(26)

• How have the land redistribution programmes (policies) contributed towards accommodating marginalized groups in the economy?

(10)

[40]

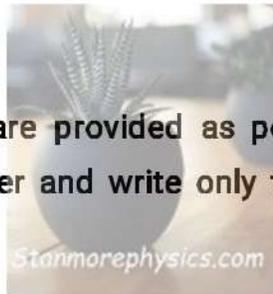




**TOPIC 2: CIRCULAR FLOW**

**ACTIVITY: 1**

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter next to the question number. E.g. 1.1.5. A .



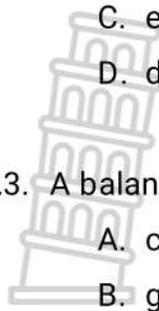
1.1.1 The total value of remuneration that the owners of factors of production receive for their share in process is called...

- A. Goss Domestic Product.
- B. Gross National Income
- C. Gross National Product
- D. Gross National Expenditure



1.1.2 The method of adding final value of all goods and service calculated as gross value added is called ... ..

- A. production
- B. income



- C. expenditure
- D. domestic

1.1.3. A balancing figure that is used correct errors and omissions is called...

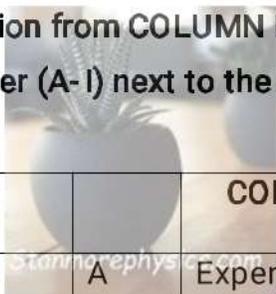
- A. constant prices
- B. gross capital formation
- C. residual item
- D. market prices

1.1.4 Taxes on products must be added to convert basic prices to...

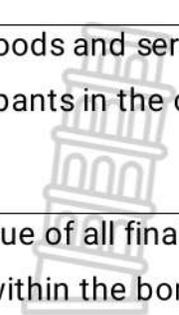
- A. factor cost.
- B. market prices.
- C. nominal prices.
- D. real prices.

4x2 (8)

**1.2 Choose a description from COLUMN B that matches the item in COLUMN A. Write only the letter (A-I) next to the question number (1.2.1 – 1.2.5) in the ANSWER BOOK.**



	COLUMN A		COLUMN B
1.2.1	Leakages	A	Expenditure that is not depending in the level of income
1.2.2	Gross Domestic Product	B	The movement of goods and services between the participants in the circular flow
1.2.3	Capital formation	C	The total market value of all final goods and services produced within the borders of a country over a specific period of time.
1.2.4	Real flow	D	Withdrawal of money in an economy
1.2.5	Autonomous consumption	E	Takes place when firms build up their stock of finished products.



		F	Stock of investment available in a country.
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(5x1) [5]

**1.3 Provide the economic term/concept for each of the following descriptions. Write only the term/concept next to the question number. No abbreviations will be accepted.**

1.3.1 Expenditure which is affected by the level of income.

1.3.2 The flow of income and expenditure between the participants in the circular flow.

1.3.3 Goods and services whose provision has benefits for the user and for the society.

1.3.4 Goods that last in value for a relatively long period.

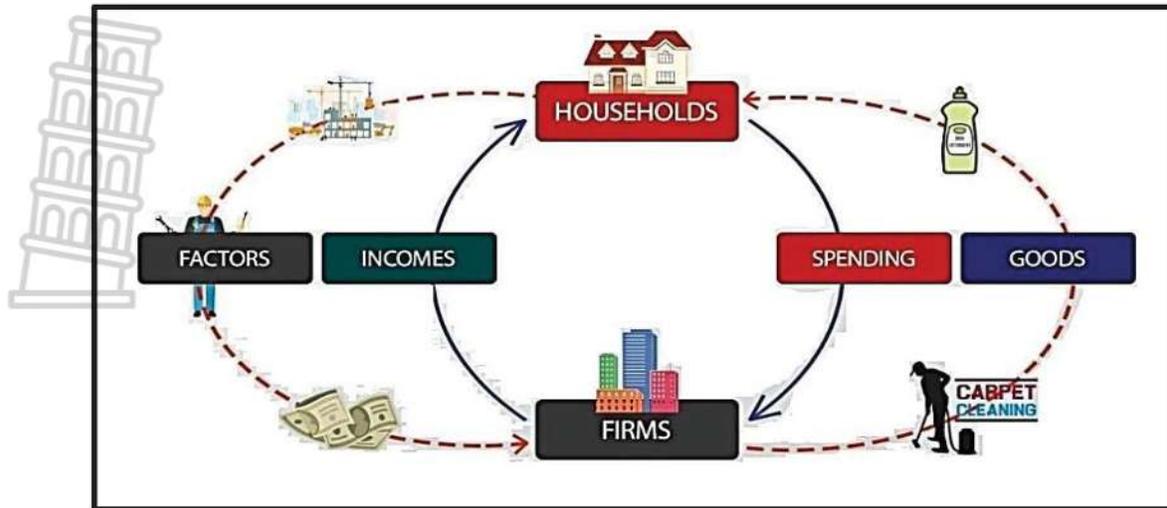
(4x1)4



## ACTIVITY :2

**2.1 Study the diagram below and answer the questions that follow.**





Source: Google photos

2.1.1 What is depicted in the diagram above?

(1)

2.1.2 Identify the major participant in the economy.

(2)

2.1.3 Briefly describe the term circular flow.

(2)

2.1.4 Explain the role of the factor market in the circular flow.

(2)

2.1.5 How does the financial sector interact with firms in the circular flow?

(4)

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### ACTIVITY 3

3.1 Study the table below and answer the questions that follow.

NO.	ITEM	AMOUNT BILLIONS (R)
1	Final consumption expenditure by (A)	2 379
2	Final consumption expenditure by general government	635
3	Gross capital formation	569
4	Residual item	-12
5	Gross domestic expenditure	3 571
6	Exports of goods and services	854
7	Imports of goods and services	872
8	Expenditure on GDP at market prices	(B)

Source: Statistics SA

3.1.1 Identify the institution that is responsible for publishing above table.

(1)

3.1.2 Which method is depicted by the above table?

(1)

3.1.3 Briefly describe the concept *gross national product*

(2)

3.1.4 Briefly explain the purpose of the residual item.

(2)

3.1.5 Calculate expenditure on GDP at market prices (B). Show all the calculations.

(4)

### ACTIVITY 4

4.1 Study the table below and answer the questions that follow.

VALUE ADDED OF SOUTH AFRICA			
	R MILLIONS		
	2021	2022	2023
Primary sector	290 998	339 734	341 114
Secondary sector	500 533	509 361	531 094
Tertiary sector	1631 831	1 785 938	1 948 054

= <b>Gross Value Added @ Basic Price</b>	2 423 362	2 635 033	2 820 262
+ Taxes on products	265 478	314 987	339 475
LESS subsidies on products	15 068	17 290	20 757
= <b>Gross Value Added @ Market Price</b>	2 673 772	2 932 730	3 138 980

Source: SARB Quarterly Bulletin March 2023

4.1.1. Identify method used in the above table to determine GDP?

(1)

4.1.2. Which year is currently used by the SARB as base year?

(1)

4.1.3. Briefly describe the concept gross *domestic product*.

(2)

4.1.4. How do you convert GDP@ basic prices to GDP@ market prices?

(2)

4.1.5. Calculate the percentage contribution of the tertiary sector to GDP@ basic prices for 2021.

Show all the calculations

(4)

### ACTIVITY :5

5.1.1. Name any TWO methods of calculating Gross Domestic Product.

(2x1) (2)

5.1.2. Why are intermediate goods and services excluded when calculating the value of GDP?

(1x2) (2)

5.1.3 Distinguish between factor market and the product market.

(8)

5.1.4 Discuss classification of final consumption expenditure by households.

(8)

5.1.5 Differentiate between real GDP and nominal GDP.

(8)

### Activity 6

6.1.1. Name any TWO methods of calculating Gross Domestic Product.

(2x1) (2)

6.1.2. Why are intermediate goods and services excluded when calculating the value of GDP? (1x2) (2)



6.2. Study the information below and answer the questions that follow.

<b>SOUTH AFRICA'S GROSS DOMESTIC PRODUCT – 2019</b>		
<i>At current prices</i>	<b>2018</b>	<b>2019</b>
Compensation of employees	2 320 179	2 418 544
Net operating surplus	1 249 182	1 296 696
Consumption of fixed capital	638 782	713 078
<b>Gross value added at factor cost</b>	<b>4 245 848</b>	<b>4 428 317</b>
Other taxes on production	101 936	105 061
Less: Other subsidies on production	6 492	9 798
<b>Gross value added at basic prices</b>	<b>4 173 328</b>	<b>(A)</b>
Taxes on products	545 558	564 866
Less: Subsidies on products	12 951	10 821
<b>Gross domestic product at market prices</b>	<b>4 873 899</b>	<b>5 077 625</b>

[Source: SARB – QB March 2020]

6.2.1. Give ONE example of taxes on products.

(1)

6.2.2. Name ONE form of compensation of employees.

(1)

6.2.3. Briefly describe the term gross national income.

(2)

6.2.4. Explain the purpose of subsidies on production.

(2)

6.2.5. Calculate the value of A for the year 2019. Show ALL calculations.

(4)

6.3. Discuss the role of households in an open circular flow. (4x2)

(8)



### Activity 7

7.1 Answer the following questions.

7.1.1 Name any TWO levels of government.

(2 x 1) (2)

7.1.2 Why is the public sector important?

(1)

x 2) (2)

7.2 Study the table below and answer the questions that follow.



**GROSS VALUE ADDED 2020, QUARTER 3**

	R (Millions)
Gross value added at primary sector	320 281
Gross value added at secondary sector	945 944
Gross value added at tertiary sector	2 895 561
<b>Gross value added at basic prices</b>	<b>4 161 786</b>

7.2.1 Identify the method of calculating Gross Domestic Product was used above?

(1)

7.2.2 As of year 2020, which year is currently used as the base year by the SARB?

(1)

7.2.3 Briefly describe the concept Gross Value Added.

(2)

7.2.4 What is the impact of a decline in primary sector activities on production?

(2)

7.2.5 Calculate the % contribution of the secondary sector to the Gross Value Added at basic price. Show your calculations.

(4)

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### Activity 8

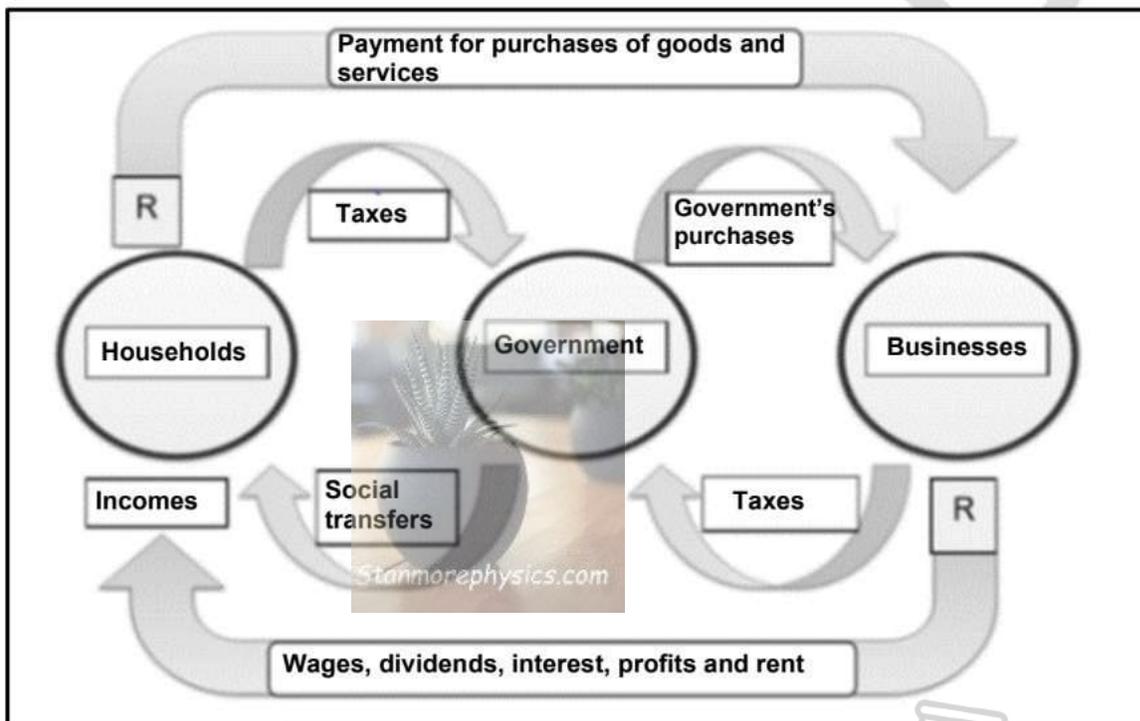
8.1 Answer the following questions.

8.1.1 Name any TWO examples of injections.

(2)

8.1.2 Why are intermediate goods and services excluded when calculating the value of GDP? (2)

8.2 Study the following diagram and answer the questions that follow.



8.2.1 Identify ONE injection in the diagram above.

(1)

8.2.2 Name the type of economy portrayed in the above diagram.

(1)

8.2.3 Briefly describe the term circular flow.

(2)

8.2.4 What is the main objective of social transfers?

(2)

8.2.5 Why is the factor market important in the circular flow?

(4)



### Activity 9

9.1 Study the table below and answer the questions that follow.

<b>Final consumption expenditure by households (At constant 2010 prices) (R millions)</b>			
	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Durable goods:</b>	175 319	191 062	201 145
Furniture, household appliances, etc.	28 535	30 157	31 806
Personal transport equipment	104 908	115 950	121 713
Computers and related equipment	7 805	9 055	10 290
Recreational and entertainment goods	24 835	25 972	27 023
Other durable goods	9 236	9 928	10 313
<b>Semi-durable goods:</b>	149 519	157 441	162 412
Clothing and footwear	87 941	92 359	95 430
Household textiles, furnishings, glassware, etc.	24 265	25 865	26 978
Motorcar tyres, parts and accessories	15 744	16 287	16 321
Recreational and entertainment goods	11 031	11 710	11 953
Miscellaneous goods	10 583	11 220	11 730

[Source: SARB Quarterly Bulletin (June 2015)]

9.1.1 Identify ONE other classification of final consumption expenditure by households not mentioned in the table above.

(1)

9.1.2 What is the trend of the value of 'other durable goods' since 2012?

(1)

9.1.3 Describe durable goods.

(2)

9.1.4 Explain what is meant by the term at constant prices in the table above.

(2)

9.1.5 Why is the final consumption expenditure by households important in the economy? (4)

9.2 Explain the difference between final goods and services and intermediate goods and services, in detail. (8)

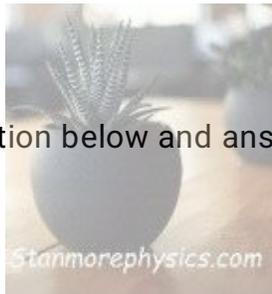
9.3 How can the final consumption expenditure by government improve the standard of living? (8)

### Activity 10

10.1 Answer the following questions.

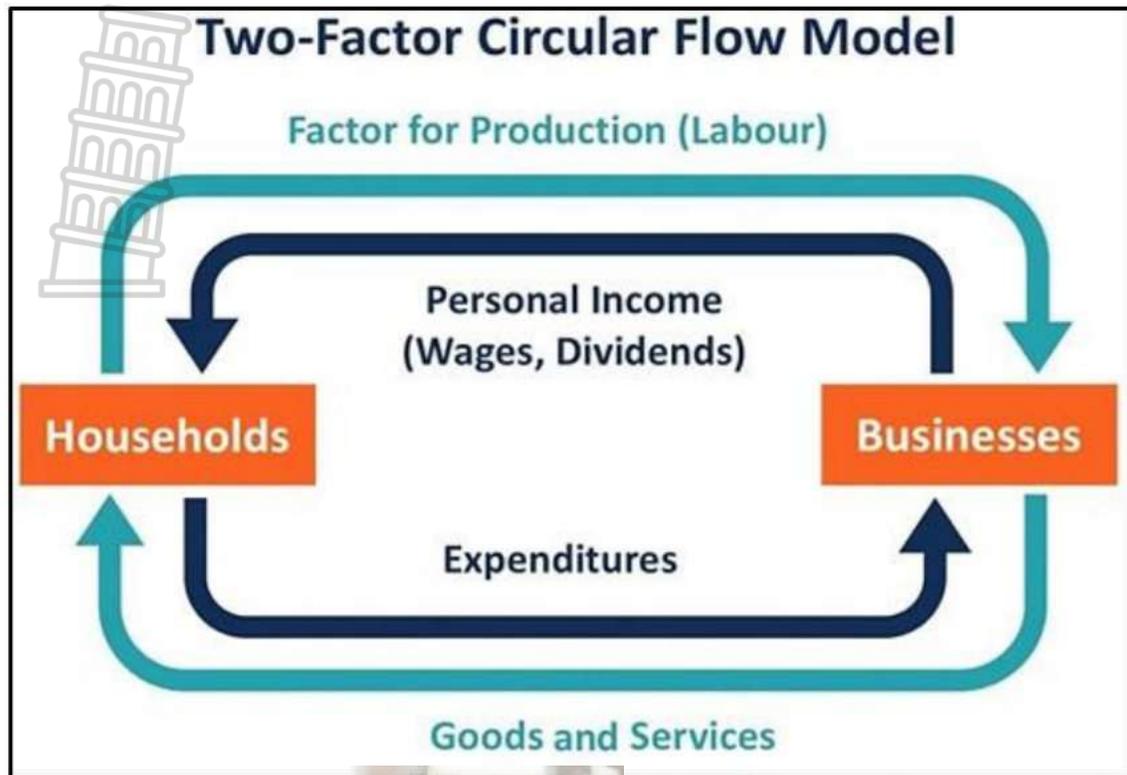
10.1.1 Name any TWO groups of marginalized people in the economy. (2 x 1) (2)

10.1.2 Why are intermediate goods and services excluded when calculating the value of GDP? (1 x 2) (2)



10.2 Study the information below and answer the questions that follow:





[Adapted from google images]

10.2.1 Name any other participant in an open economy.

(1)

10.2.2 Indicate the flow that is represented by goods and services.

(1)

10.2.3 Briefly describe the term circular flow.

(2)

10.2.4 Explain the interaction between households and firms.

(2)

10.2.5 How can the business sector contribute more positively to the economy?

(2 x 2) (4)

**TOPIC 3: ECONOMIC SYSTEMS**

**1.1** Various options are provided as possible answers to the following questions.  
Choose the answer and write only the letter next to the question number. E.g.

**1.1.5. A**

1.1.1 An economic system where economic questions about scarcity are answered by the state is known as...

- A. centrally planned
- B. market
- C. mixed
- D. traditional

1.1.2. The rules and procedures followed by the government officials that causes delays in producing services are called... ..

- A. regulation
- B. accountability
- C. hierarchy
- D. bureaucracy

1.1.3. An economic system that is controlled by the private and public sector is... .. economy.

- A. command
- B. market
- C. mixed
- D. traditional

1.1.4 An economy that uses supply and demand to allocate resources and determine

price is known as... ..

- A. centrally planned economy
- B. market economy
- C. mixed economy
- D. command

(4X2) 8

## ACTIVITY 2

2.1. Study the diagram and answer the questions that follow.



- 2.1.1 Identify the economic system depicted above. (1)
- 2.1.2 Name the motive in the free market system? (1)
- 2.1.3 Briefly describe the term *free market system*. (2)
- 2.1.4 Explain how resources are allocated in centrally planned economy. (2)
- 2.1.5 How can mixed economic system positively impact the economy? (4)



### ACTIVITY 3

3.1. Study the cartoon and answer the questions that follow.



Source: google images

- 3.1.1 Identify the sector who allocate resources in economic system above?  
(1)
- 3.1.2 Name the economic system that oppose the centrally planned economic system.  
(1)
- 3.1.3 Briefly describe the term *centrally planned economic system*.  
(2)
- 3.1.4 Brief explain the role of the government in mixed economy system in the economy?  
(2)

3.1.5 How effective is the central planned economy in addressing income inequality and poverty. (4)

3.2 Analyse the necessity of government to spend in both free market and centrally planned economy. (8)

3.3 Examine the impact of competition within a free market economy. (8)



#### Activity 4

4.1 Answer the following questions.

4.1.1 Name TWO different economic systems. (2 x 1) (2)

4.1.2 Why is it impossible for South Africa to become a rich country? (1 x 2) (2)

4.2 Study the cartoon below and answer the questions that follow.





- 4.2.1 Identify the economic system to which “FREE STUFF” above refers.  
(1)
- 4.2.2 What is the free-market system free from, in its purest form?  
(1)
- 4.2.3 Briefly describe the term economic system.  
(2)
- 4.2.4 Explain the concept of an invisible hand in the economy.  
(2)
- 4.2.5 Why is the South African economy regarded as a mixed economic system?  
(2 x 2) (4)

## Activity 5

- Compare and contrast the South African mixed economy with a centrally planned economic system. (26)•

How does the government assist the economically marginalized groups in South Africa?

(10)

[40]

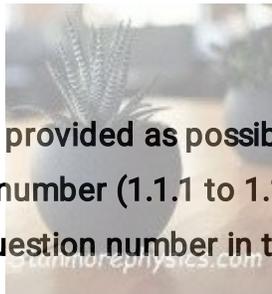
- Discuss the characteristics, advantages and disadvantages of a country having a mixed economy. (26)

- Analyze the problems that South Africa is facing with too much government involvement in the economy. (10)

[40]

#### TOPIC 4: ECONOMIC STRUCTURE

##### ACTIVITY 1



**1.1 Various options are provided as possible answers to the following questions. Write down the question number (1.1.1 to 1.1.4) choose the answer and write the letter (A- D) next to the question number in the ANSWER BOOK.**

1.1.1 Sector involved in facilitating the flow of goods and services from producers to consumers is called ...

- A.) free market
- B.) primary
- C.) secondary
- D.) tertiary



1.1.2 The system of production, resource allocation and distribution of goods and services within a society...

- A.) economic growth
- B.) economic structure

- C.) economic integration
- D.) economic development

1.1.3 Facilities and systems that make the economic activities in the country possible is called... ..

- A.) technology
- B.) efficiency
- C.) production
- D.) infrastructure

1.1.4 All the business enterprises and parts of government that produce a similar type of good or services is called... ..

- A.) industry
- B.) structure.
- C.) organization
- D.) system.



(4X2) [8]

1.2 Choose a description from COLUMN B that matches an item in COLUMN A. write only the letter (A-F) to the question number (1.2.1- 1.2.4) in the ANSWER BOOK, for example 1.2.5 D for each of the following descriptions. ABBREVIATIONS and ACRONYMS will not be accepted.

COLUMN A	COLUMN B
1,2,1 Communication	A. Road, water and railway facilities use to deliver goods from one place to another.
1.2.2 Manufacturing	B. Sector involved the extracting of raw material from the nature.
1.2.3 Transport	C. The processing of natural resources takes place factories.

1.2.4 Primary sector 	D. Ensure the transfer of market information to the parties who are entering into business transitions.  E. Sector involved in facilitating the flow of goods and services producer to consumers
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(4x1) [4]

## ACTIVITY 2

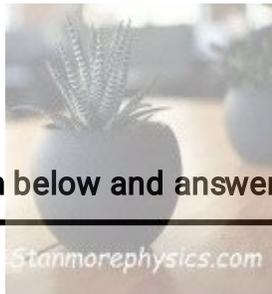
2.1 Study the extract below and answer the questions that follow.

### Eskom challenges slow down South African economy.

In a plan unveiled in October, public enterprises, CEO Dan Marokane set a series of steps to restore stability to Eskom, including exposing it to greater competition, lowering fuel costs, increasing renewable –energy output and selling non- core assets. That steps would ease the way for private generations to supply the national.

Source: Business day2023  
stanmorephysics.com

- 2.1.1 Name of type of infrastructure in the extract above (1)
- 2.1.2 Identify one supplier of energy in the article above.  
(1)
- 2.1.3 Briefly describe the term *secondary sector*. (2)
- 2.1.4 Explain why it is important for Eskom to have a competition.  
(2)
- 2.1.5 How does the shortage of energy in South Africa affect the economy?  
(4)
- 



### ACTIVITY 3

3.1 Study the diagram below and answer the questions that follow.



Primary sector is the most contributor in SA GDP, they produce raw material and export to the various countries of the world.



3.1.1 Identify one example of primary sector in the above diagram.

(1)

3.1.2 Name the sector that contribute more in South African GDP.

(1)

3.1.3 Briefly describe the term *primary sector*.

(2)

3.1.4 Explain the negative impact of shortage of skilled labour force in the sector.

(2)

3.1.5 How can local mineral processing be promoted in South Africa?

(4)

3.2 Discuss the importance of primary sector in the economy?

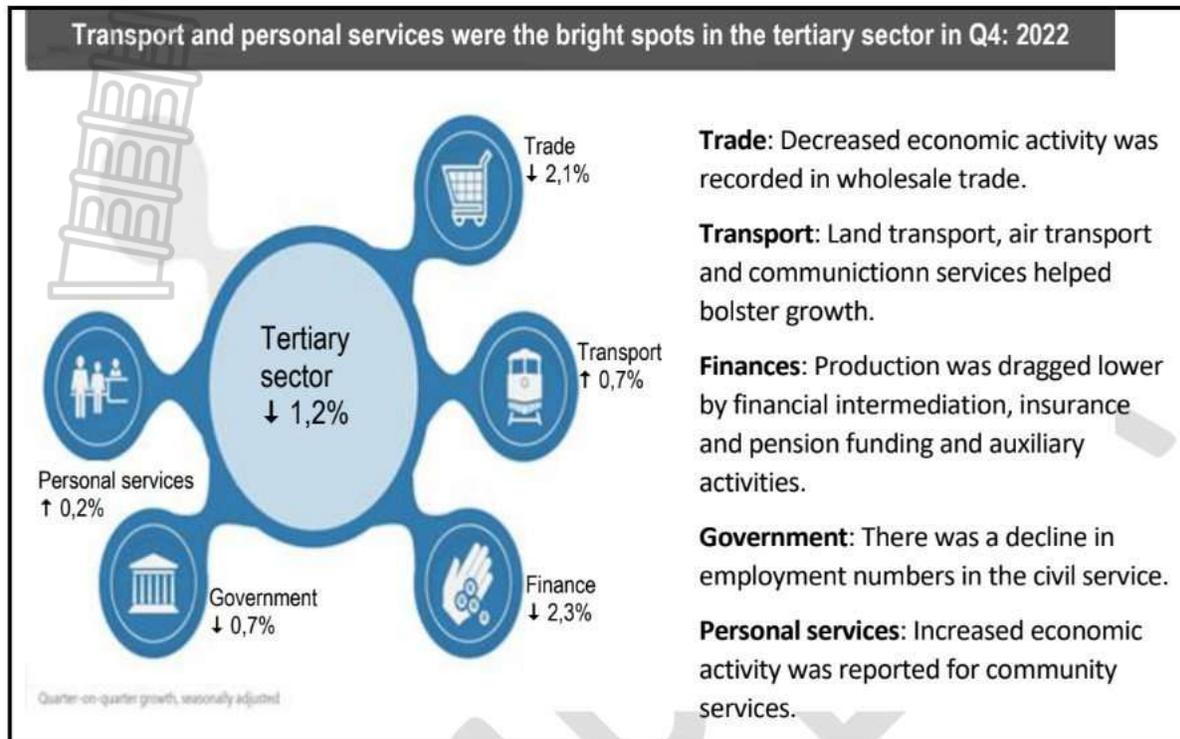
(8)

3.3 How does the tertiary sector contribute to modern economies?

(8)



4.1 Study the information below and answer the questions that follow



[Source: <https://www.statssa.gov.za>]

4.1.1 Identify ONE type of transport in the information above.

(1)

4.1.2 In which sector are commercial services found?

(1)

4.1.3 Briefly describe the term genetic operations.

(2)

4.1.4 What could lead to an increase in the percentage contribution of government services

in the tertiary sector?

(2)

4.1.5 How does the primary sector contribute towards the economy?

(2

x 2) (4)

4.2 Differentiate between renewable and non-renewable resources.

(4

x 2) (8)

4.2 Why is capital formation important to the South African economy?

(8)



## TOPIC 5: RELATIONSHIP BETWEEN MARKETS

### ACTIVITY 1

**1.1** Various options are provided as possible answers to the following questions. Choose the correct answer and write **ONLY** the letter (A – D) next to the question number (1.1.1 – 1.1.5) in the **ANSWER BOOK**. e.g. 1.1.6 D

1.1.1 The mechanism that enables buyers and sellers to trade goods and services is called

- a ...
- A. market.
- B. business.
- C. economy.
- D. industry.



1.1.2 An individual firm in a perfect market is defined as a price ...

- A. setter
- B. maker
- C. taker
- D. fixer



1.1.3 The market structure where there are few large firms is known as a/an ... market

- A. perfect
- B. oligopoly

- C. monopolistic
- D. monopoly

1.1.4 The type of goods that can be used in conjunction with other goods are called ...

- A. inferior
- B. substitute
- C. intermediate
- D. complementary

1.1.5 The quantity of goods or services that consumers are willing and able to buy at a specific price and time is called...

- A. demand.
- B. supply.
- C. market.
- D. exchange.



(5X2) [10]

**1.2 Give ONE term for each of the following descriptions. Write only the term next to the question number (1.3.1 – 1.3.5) in the ANSWER BOOK. Acronyms and abbreviations will NOT be accepted.**

1.3.1 A condition where market supply and demand are equal at the same price level.

(1)

1.3.2 Exchange value of a product that the consumer pays for in actual rands and cents.

(1)

1.3.3 An exclusive right that is given to a firm to produce and sell a product or service.

(1)

1.3.4 The price of a good in relation to another good.

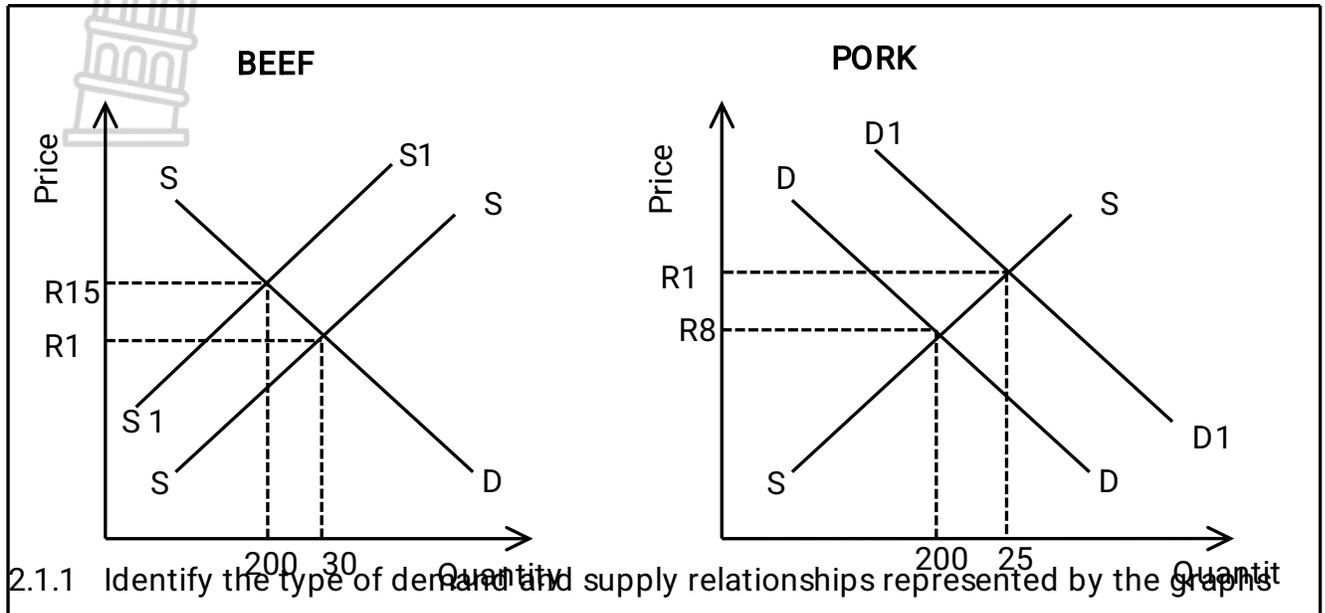
(1)

1.3.5 The number of customers that one firm has access to in relation to other firms in the market. (1)

(5X1) [5]

**ACTIVITY 2**

**2.1 Study the graphs below and answer the questions that follow.**



2.1.1 Identify the type of demand and supply relationships represented by the graphs above. (1)

2.1.2 What is the new quantity supplied for beef after the price increase? (1)

2.1.3 Briefly describe the term *complementary goods*. (2)

2.1.4 Explain the cause of an increase in the price of pork. (2)

2.1.5 How does the factor market influence the goods market for beef and pork? (4)

**ACTIVITY 3**

**3.2 Study the extract below and answer the questions that follow.**

**TRANSNET GOES PRIVATE**

SA took a major step towards ending the monopoly of Transnet and opened up its ports to private investment, selecting a Philippines-based multinational port operator as an equity partner for the joint venture to run its flagship Durban container terminal.

Transnet will own 51% shares of the SPV and non-current assets of the port will be transferred to the new company

3.1.1. Identify the market structure under which Transnet operates from the extract above. (1)

3.1.2. What is the sale of a state-owned enterprise to a private firm called? (1)

3.1.3. Briefly describe the term *natural monopoly*. (2)

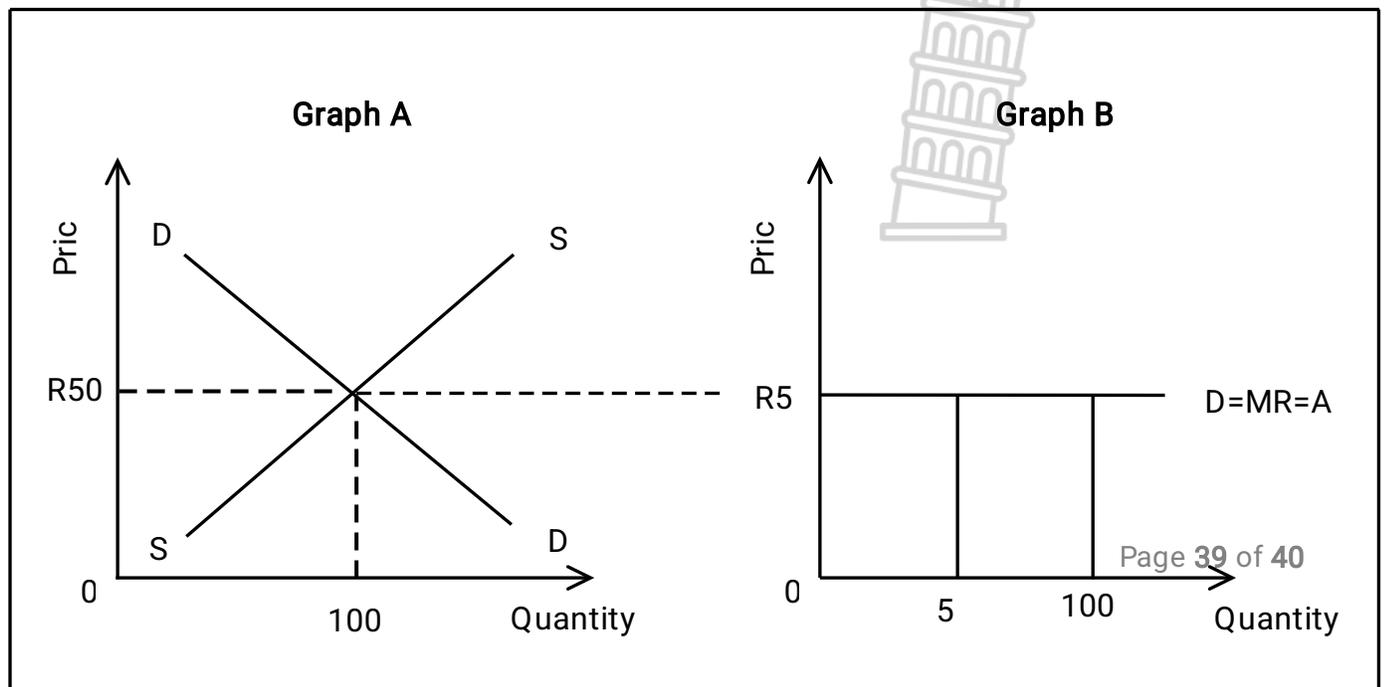
3.1.4. Explain the nature of product sold by Transnet. (2)

3.1.5. How would privatization affect the freight market? (4)



#### ACTIVITY 4

4.1 Study the graph below and answer the questions that follow.





4.1.1. Identify the graph that represents the industry from the source above.

(1)

4.1.2. How many sellers operate in a perfect market?

(1)

4.1.3. Briefly describe the term *equilibrium point*.

(2)

4.1.4. Why is the demand curve in graph B shaped horizontally?

(2)

4.1.5. Why does the individual firm have to accept R50 as the price to charge for its product? (4)



### Activity 5

5.1 Answer the following questions.

5.1.1 Name any TWO barriers to entry in a monopoly market.

(2 x 1) (2)

5.1.2 How will the removal of South Africa from the free trade zone impact the country's economy? (1

x 2) (2)



5.2 Study the extract below and answer the questions that follow.

**LOCAL BUSINESSES CRIPPLED BY POWER OUTAGES**



Loadshedding and power outages have cut business hours and production and reduced income. Some businesses also had to spend large amounts on alternative power sources while others cannot afford these additional costs. Power outages have increased operating costs, resulting in loss of revenue, and declining margins, affecting profitability.

[Source:<https://germistoncitynews.co.za/305016/businesses-bear-the-brunt-of-power-woes/>]

- 5.2.1 Identify the constraint faced by businesses in the extract above  
(1)
- 5.2.2 Name any ONE example of explicit costs incurred by businesses.  
(1)
- 5.2.3 Briefly describe the term revenue.  
(2)
- 5.2.4 What should the business look at when deciding on a level of output?  
(2)
- 5.2.5 Analyze the role of profit in a business. (2)
- x 2) (4)

## ACTIVITY 6

Discuss the characteristics of a perfect market.

(26)

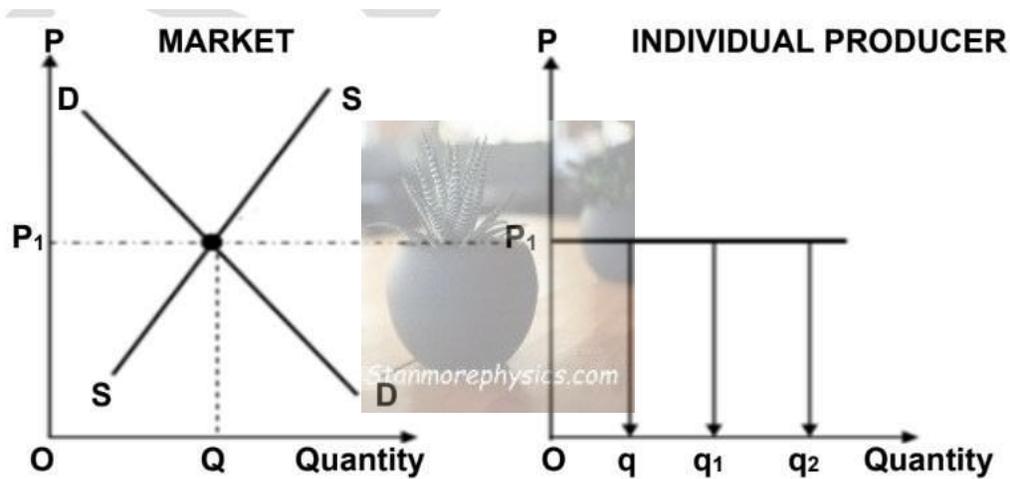
Analyze the conditions that force the firm in the perfect competition to charge the market price.(10)



### Activity 7

7.1 Briefly explain, using the graphs below, how prices are determined for an individual producer in a perfect market.

(4 x 2) (8)





## TOPIC 6: COST AND REVENUE CURVES

### ACTIVITY 1

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A – D) next to the question numbers (1.1.1 to 1.1.3) in the ANSWER BOOK, e.g. 1.1.4D.

1.1.1 The cost that remain the same even the number of unit changes is ... cost.

- A marginal
- B average
- C fixed
- D unit

1.1.2 The amount by which the total cost increase when one extra unit of a product is produced is... cost

- A. total
- B. marginal
- C. average
- D. per unit

1.1.3 Point where marginal costs curve intersects marginal revenue curve is... point



- A. Loss
- B. equilibrium
- C. economic
- D. profit maximizing

(3X2) [6]

1.2 Match column A with column B. Write only the letter next to the number.

COLUMN A	COLUMN B
1.2.1 Marginal revenue	A. Actual selling price per unit
1.2.2 Diseconomies of scale	B. Cost that changes the unit when produce change.
1.2.3 Economic profit	C. Additional income received from selling one more unit
1.2.4 Fixed cost	D. Occur when the cost per unit increases
1.2.5 Average revenue	E. Profit that business make in addition to its normal profit

(5X1) [5]

1.3 Provide the economic terms/concept for each of the following descriptions. Write only the term next to the question number.

- 1.3.1 The mechanism that brings potential buyers and sellers to exchange goods and services.
- 1.3.2 Sum of fixed plus variable cost.
- 1.3.3 A period of production where at least one factor is fixed.

1.3.4 The minimum earning that prevent business from leaving the market.

(4X1) 4

ACTIVITY 2

2.1 Study the table below and answer the questions that follow.

Number of containers (Q)	A	Variable cost (VC)	Total cost (TC) TC= FC+ VC	Marginal cost (MC) $Mc = \frac{\Delta TC}{\Delta Q}$
20	100	0	100	$100/20 = 5$
40	100	80	180	$80/20 = 4$
60	100	120	220	$40/20 = 2$
80	100	160	280	<b>B</b>
100	100	260	360	$80/20 = 4$

2.1.1 Identify one costs curve on the above table

(1)

2.1.2 Name the cost labelled by symbol A on the above table

(1)

2.1.3 Briefly describe the term *marginal cost*.

(2)

2.1.4 Why fixed cost has a horizontal curve?

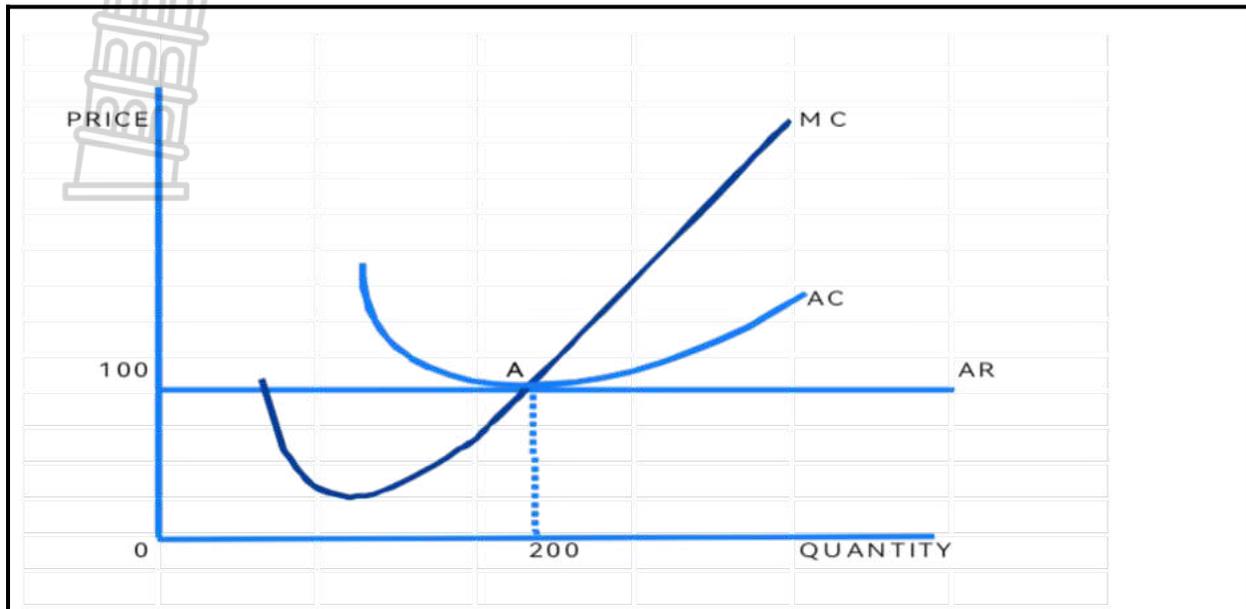
(2)

2.1.5 Calculate the value of B using the formula provided on the table.

(4)

### ACTIVITY 3

3.1 Study the graph below and answer the questions that follow.



3.1.1 Identify profit maximization point in above graph.

(1)

3.1.2 Identify the market shown on the above graph

(1)

3.1.3 Briefly describe the term *long-run*

(2)

3.1.4 Why the marginal revenue curve is horizontal?

(2)

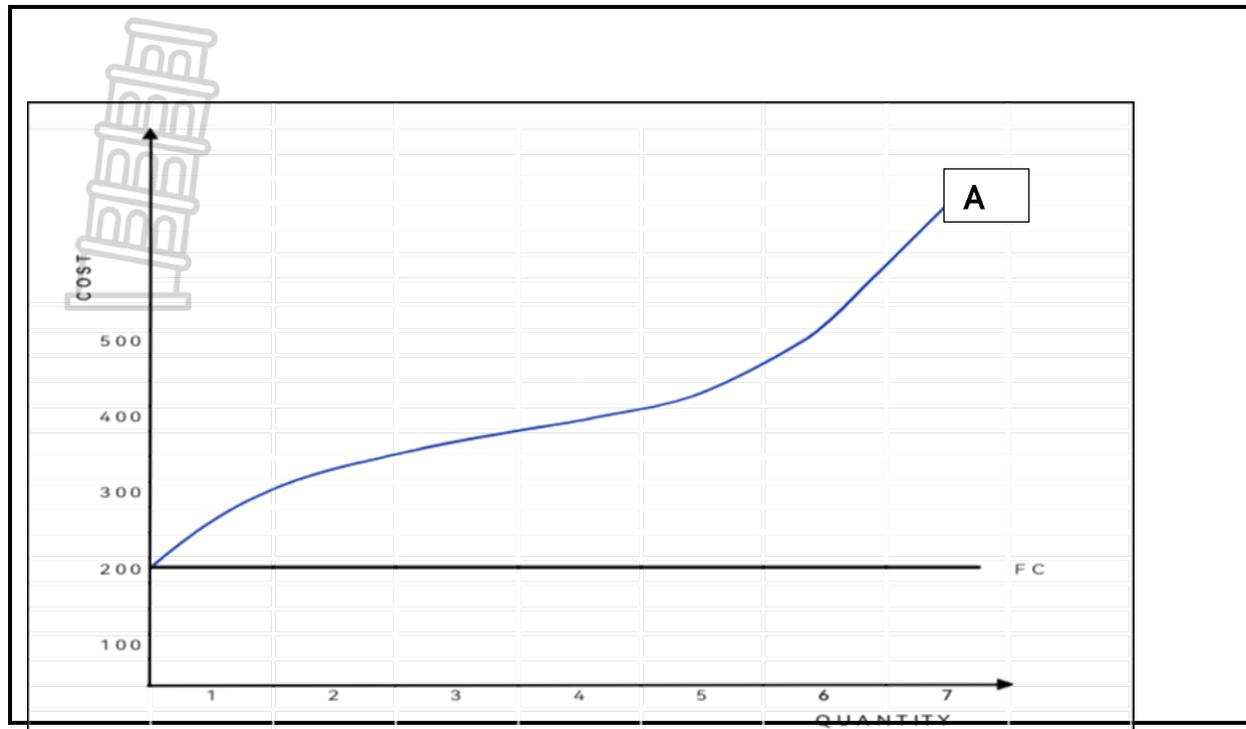
3.1.5 How is the SMART principle applied by businesses?

(4)



### ACTIVITY 4

4.1 Study the table below and answer the questions that follow.



- 4.1.1 Identify the total amount of fixed costs in the graph. (1)
- 4.1.2 Name the curve that is labelled A. (1)
- 4.1.3 Briefly describe the term explicit costs. (2)
- 4.1.4 Why is fixed cost curve is perfectly horizontal? (2)
- 4.1.5 The price of the product sold in the above graph is R100. What would the profit/loss of producing NO products be? Show ALL calculations. (4)
- 4.2 Why should marginal revenue be equal to marginal cost for profits to be maximized? (8)
- 4.3 Discuss the SMART principle in designing the objectives of businesses (8)

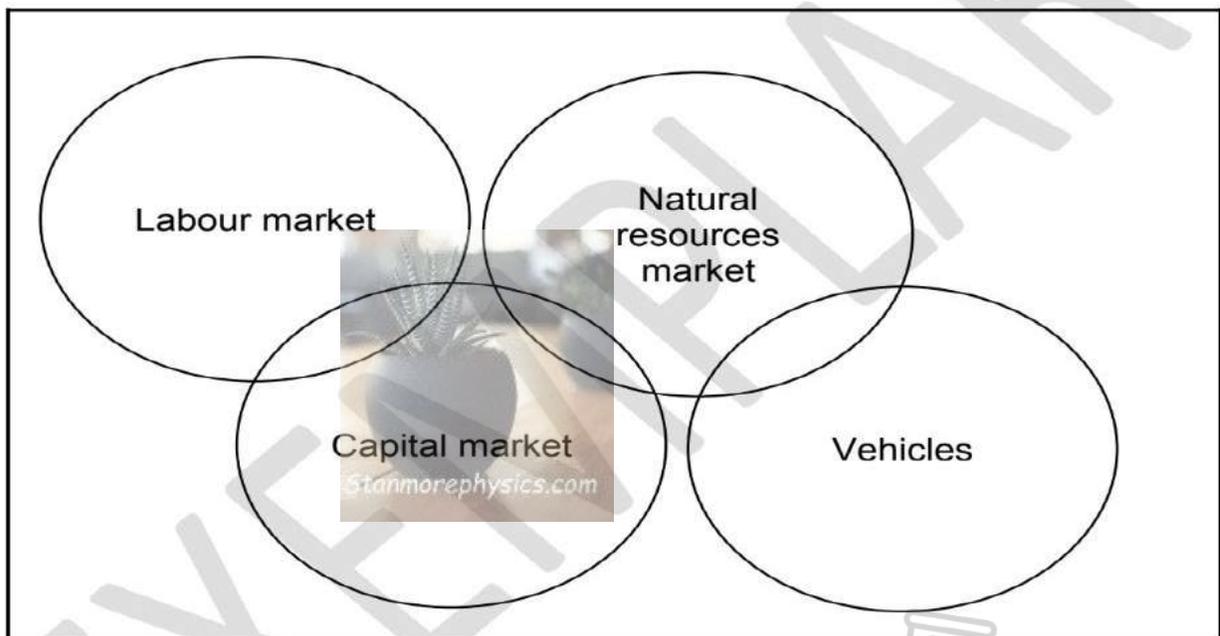
**Activity 5**

5.1 Answer the following questions.

5.1.1 Name any TWO examples of variable costs. (2 x 1) (2)

5.1.2 Why are the AR and MR curves equal in the perfect market? (1 x 2) (2)

5.2 Study the information below and answer the questions that follow.

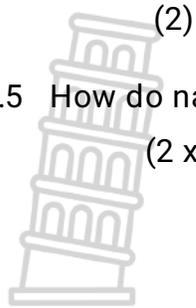


5.2.1 Identify an example found in a product market from the information above.  
(1)

5.2.2 Name ONE factor of production missing from the above information.  
(1)

5.2.3 Briefly describe the term market.  
(2)

5.2.4 Explain the positive impact of competition on the markets.



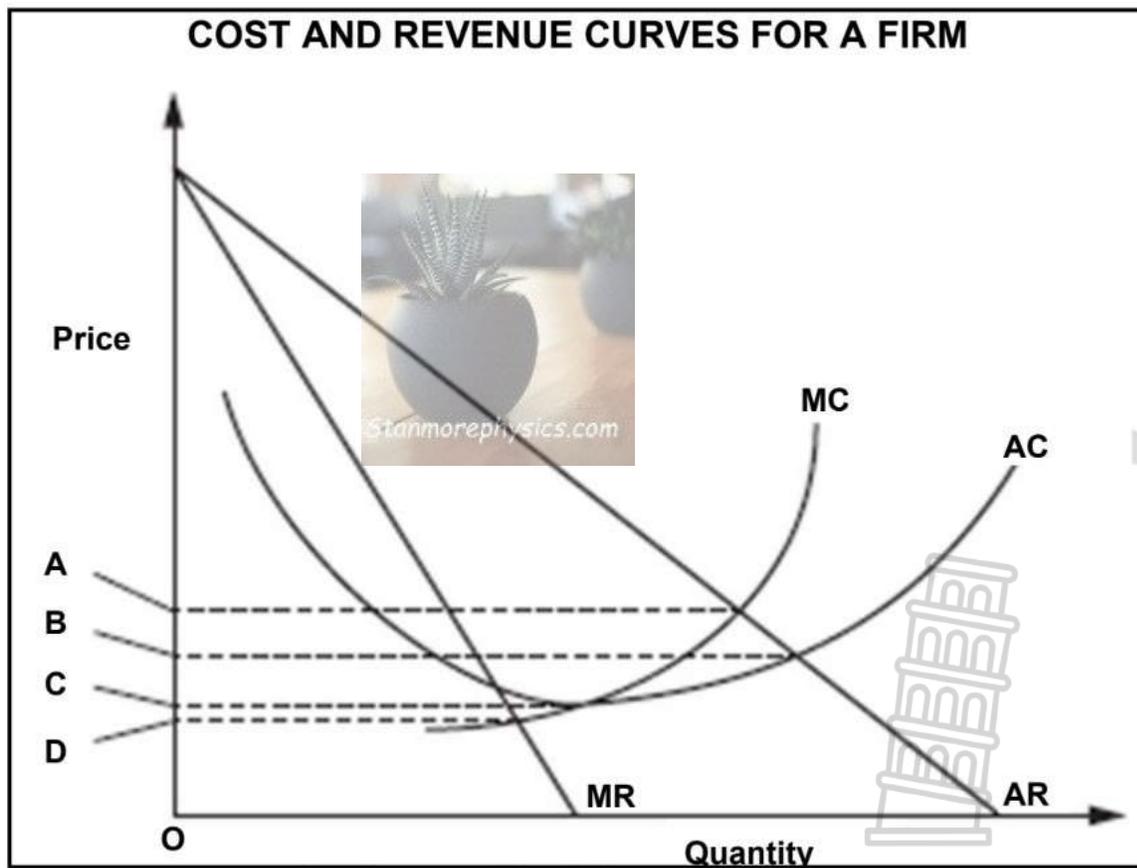
(2)

5.2.5 How do natural disasters impact the supply of factors of production in the market?

(2 x 2) (4)

### Activity 6

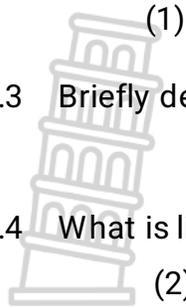
6.1 Study the graph below and answer the questions that follow.



6.1.1 In the graph above, at which price does allocative efficiency occur?

(1)

6.1.2 Which letter indicates the profit maximization of the firm above?



6.1.3 Briefly describe the term imperfect market.

(2)

6.1.4 What is likely to happen to the demand for this firm's output in the long run?

(2)

6.1.5 Explain the pattern of the MC curve.

(2

x 2) (4)

6.2 Briefly discuss the SMART principle in designing the objectives of businesses.

(4 x 2) (8)

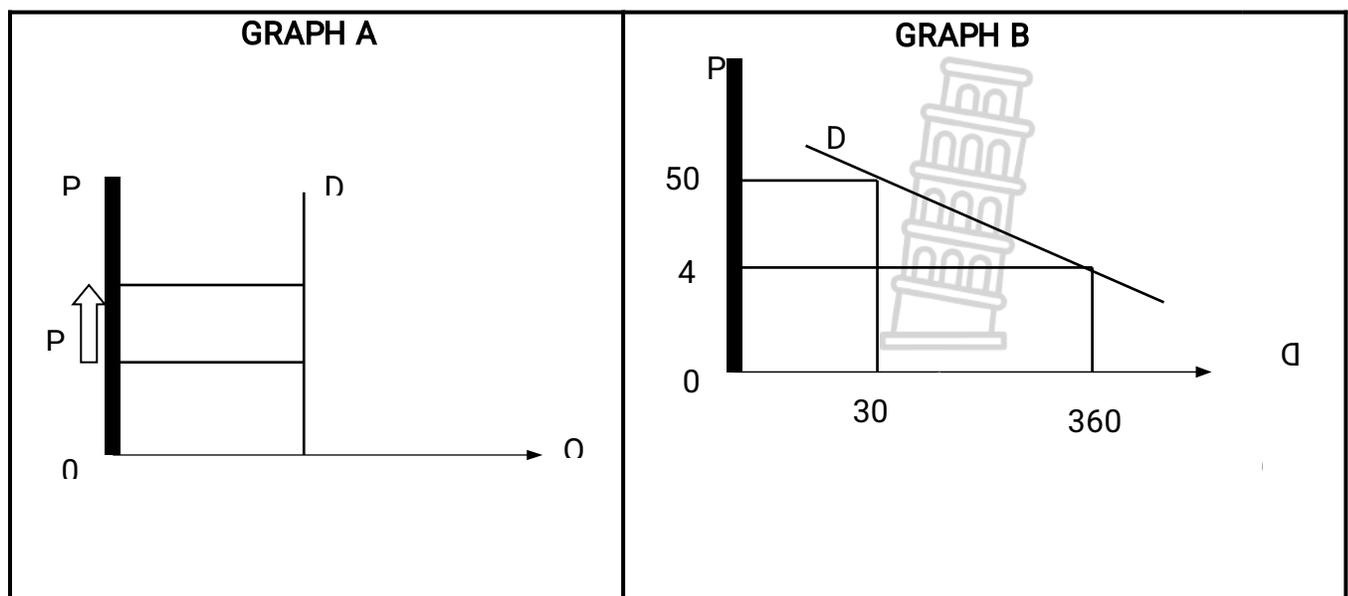
6.3 How will a firm's objective in an oligopolistic market differ from the objective of a firm in a perfectly competitive market?

(8)

## TOPIC 7: ELASTICITY

### ACTIVITY 1

1.1. Study the graphs below and answer the questions that follow:



1.1.1 Identify the curve represented by letter D

(1)

1.1.2 Give the value of price elasticity of demand in graph A above.

(1)

1.1.3 Briefly describe the term *price elasticity of demand*.

(2)

1.1.4 Why price elasticity of demand has a negative sign?

(2)

1.1.5 Calculate the price elasticity of graph B. Show all calculations.

(4)

## ACTIVITY 2

2.1 Study the table below and answer the questions follow.

A	Quantity Supplied
R 50	600
R 45	400

2.1.1 Give a label for point A in the above table.

(1)

2.1.2 Identify the quantity supplied at a price of R50.

(1)

2.1.3 Briefly describe the term *price elasticity of supply*

(2)

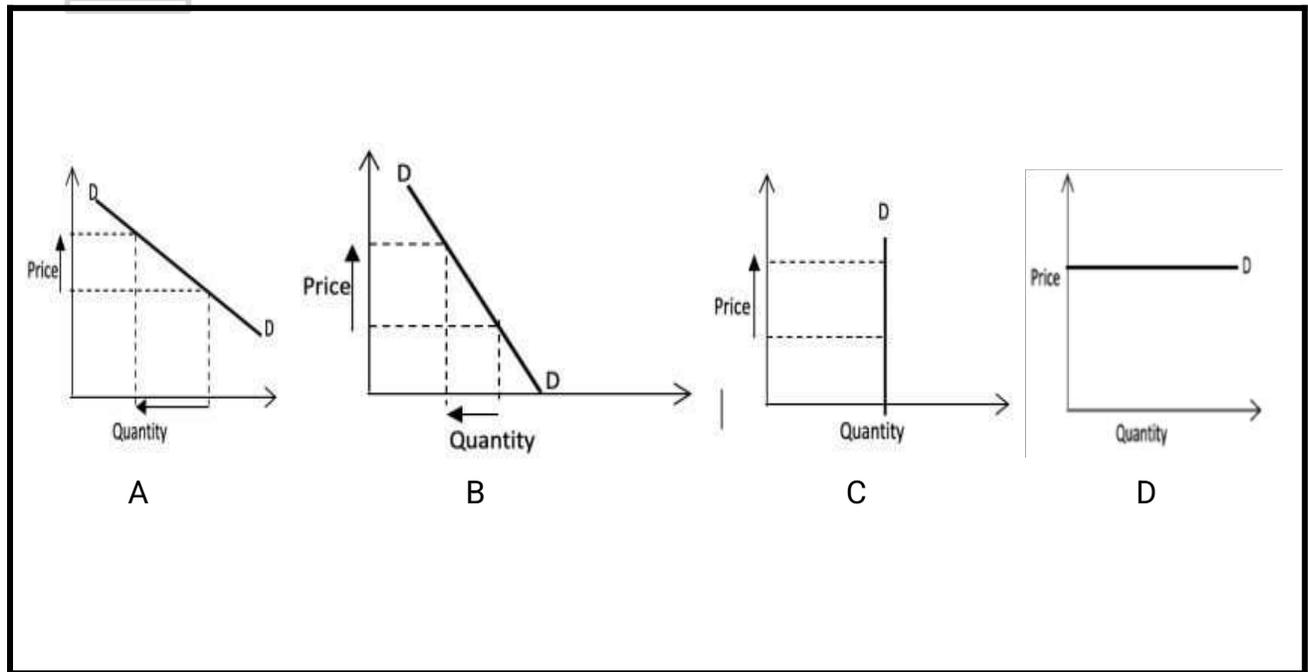
2.1.4 How the availability of natural resources affect the elasticity of supply?

(2)

2.1.5. Calculate the percent change in the quantity supplied as a result of a decrease in the price. (4)

### ACTIVITY 3

3.1 Study the graphs below and answer the questions that follow:



3.1.1. Identify the graph that illustrate inelasticity of demand in the above data.

(1)

3.1.2. Give the nature of the product in graph C?

(1)

3.1.3. Briefly describe term *cross elasticity of demand*

(2)

3.1.4 How luxury goods influence the price elasticity of demand?

(2)

3.1.5 What is the effect of substitute product in the market

(4)

### Activity 4

• Discuss, in detail, the price elasticity of demand (PED) without the aid of graphs.

(26)

- How can government increase the price elasticity of supply of essential goods?

(10)

[40]

TOPIC 8:  ECONOMIC GROWTH

ACTIVITY 1

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter next to the question number. E.g. 1.1.6. A

1.1.1 A graph that measures the degree of inequality is called a ... ..

- A. Perfect line
- B. Gini coefficient curve
- C. Lorenz curve
- D. Productive inefficiency

1.1.2 Higher income earners are taxed at higher rate is called... .

- A. Proportional
- B. Regressive
- C. Progressive
- D. Indirect tax

1.1.3 An improvement in the standard of living of the population of a country is known as ...

- A. Economic development
- B. Economic growth
- C. investment
- D. capital formation



1.1.4 A total value of all final goods and services that are produced within the borders of a country in a year

- A. Gross national product
- B. Gross domestic product
- C. Per capita income
- D. Gross domestic expenditure

1.1.5 The quality of life of an individual or a household is called... .

- A. standard of living
- B. wealth
- C. poverty
- D. minimum wage

(5x2)10

1.2 Choose a description from Column B that matches the item in Column A. Write only the letter next to the question number.

COLUMN A	COLUMN B
1.2.1. Wealth	A. A number of years a new born is expected to live.
1.2.2. Gini coefficient	B. Policy aimed at increasing the ownership of agricultural land of black people.
1.2.3. Life expectancy	C. Stock of capital assets of households, representing money earned and saved.
1.2.4. Land redistribution	D. Statical measure used to express the inequality of income distribution.
1.2.5. Productivity	E. Levied when money is inherited from a deceased person.
	F. Relationship between input and output obtained with one unit of inputs per worker.

(5x1)5

1.3 Give economic term /concept for each of the following descriptions.

- 1.3.1 Income per member of the population in a country.
- 1.3.2 The index that measures the inequality of income.
- 1.3.3 A return of land to those who lost have lost it due to discriminatory laws is... ..
- 1.3.4 When people live below a certain threshold and cannot afford certain basic goods and service .
- 1.3.5 Wage rate that is set by government whereby no workers are paid less than stipulated amount.

(5x1)5

## ACTIVITY 2

### 2.1 Answer the following questions

2.1.1 Name any two income redistribution methods

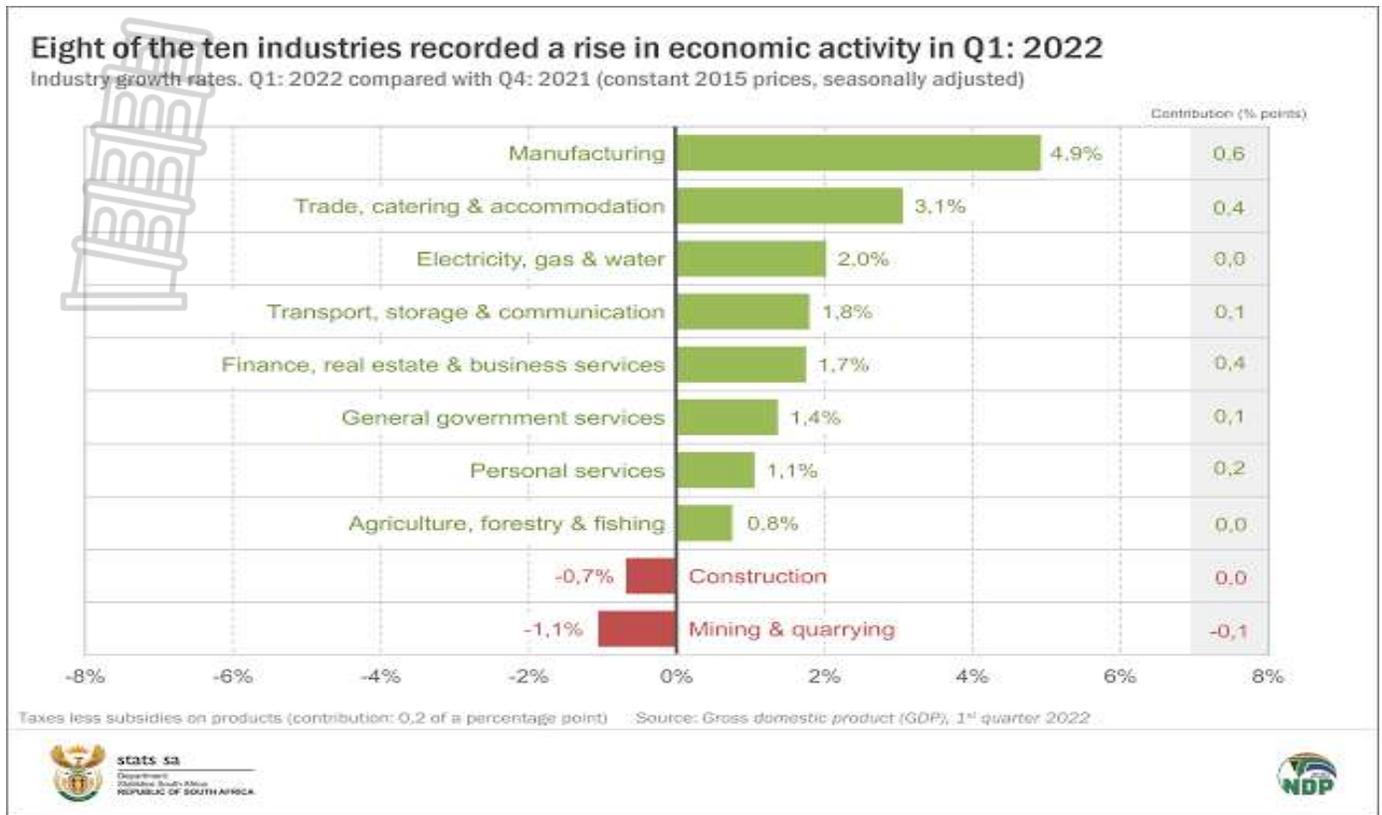
(2)

2.1.2 What effect does the low economic growth rate have on the economy

(2)

### 2.2 Study the graph below and answer the questions that follow.





2.2.1 Identify the industry that contribute most in GDP from graph above

(1)

2.2.2 Name the economic indicator that is used to measure the economic growth

(1)

2.2.3 Briefly describe term *economic development*.

(2)

2.2.4 Explain the factors that can lead to increase in economic growth

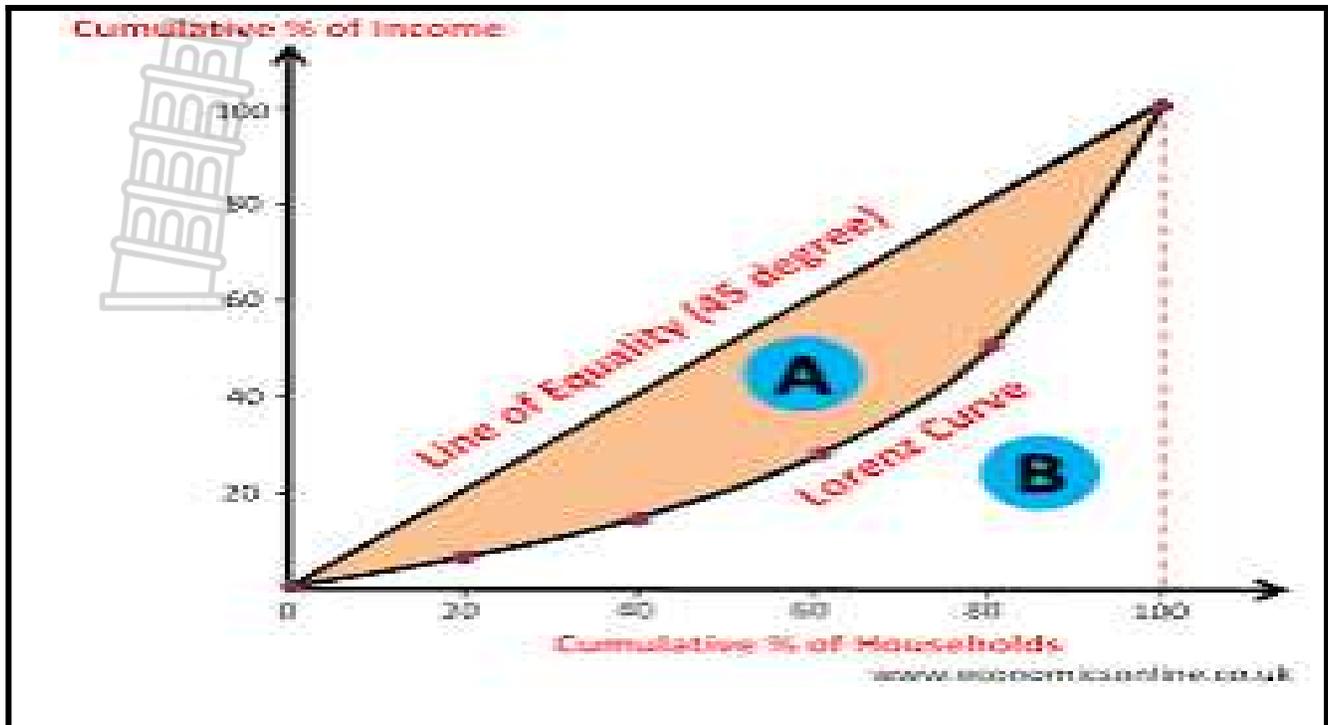
(2)

2.2.5 Why is South Africa experiencing low economic growth rate levels?

(4)

### ACTIVITY 3

3.1 Study the graph below and answer the questions that follows.



3.1.1 Identify the economic concept that is depicted in the above graph

(1)

3.1.2 Provide the name of the area label A

(1)

3.1.3 Briefly describe the term *wealth*.

(2)

3.1.4 Why is South Africa among the countries with the highest rates of inequality in the world? (2)

3.1.5 Explain the relationship between the Gini coefficient and the Lorenz curve

(4)

#### ACTIVITY 4

4.1 Study the extract below and answer the questions that follows.

##### GINI COEFFICIENT IN SOUTH AFRICA 2015- 2022

The Gini coefficient in South Africa was 0,65 points in 2015 and in 2022 is 0.63 points with lesser inequality in income within the rural areas of the most Southern country of Africa. An ideal situation is one in which incomes are perfectly distributed with the equal zero.

South Africa had the world's highest in income distribution.

Source: StatSA

- 4.1.1 Name the index that describe the percentage of the population living below the poverty - line income. (1)
- 4.1.2 What is the trend of Gin coefficient between 2015 and 2022 (1)
- 4.1.3 Briefly describe term *Gini co-efficient* (2)
- 4.1.4 What effect will an increase in the income tax rate have on the inequality gap between the rich and poor? (2)
- 4.1.5 How can the government reduce inequality in income distribution? (4)

### ACTIVITY 5

5.1 Study the cartoon below and answer the questions that follow.



5.1.1 Identify one growth projection from the cartoon above

(1)

5.1.2 Name one example that measure the economic growth

(1)

5.1.3 Briefly describe the term *gross domestic product*

(2)

5.1.4 Explain the impact of increase in consumer spending on the production of goods and services (2)

5.1.5 How successful has the South African government been in improving the quality of labour? (4)

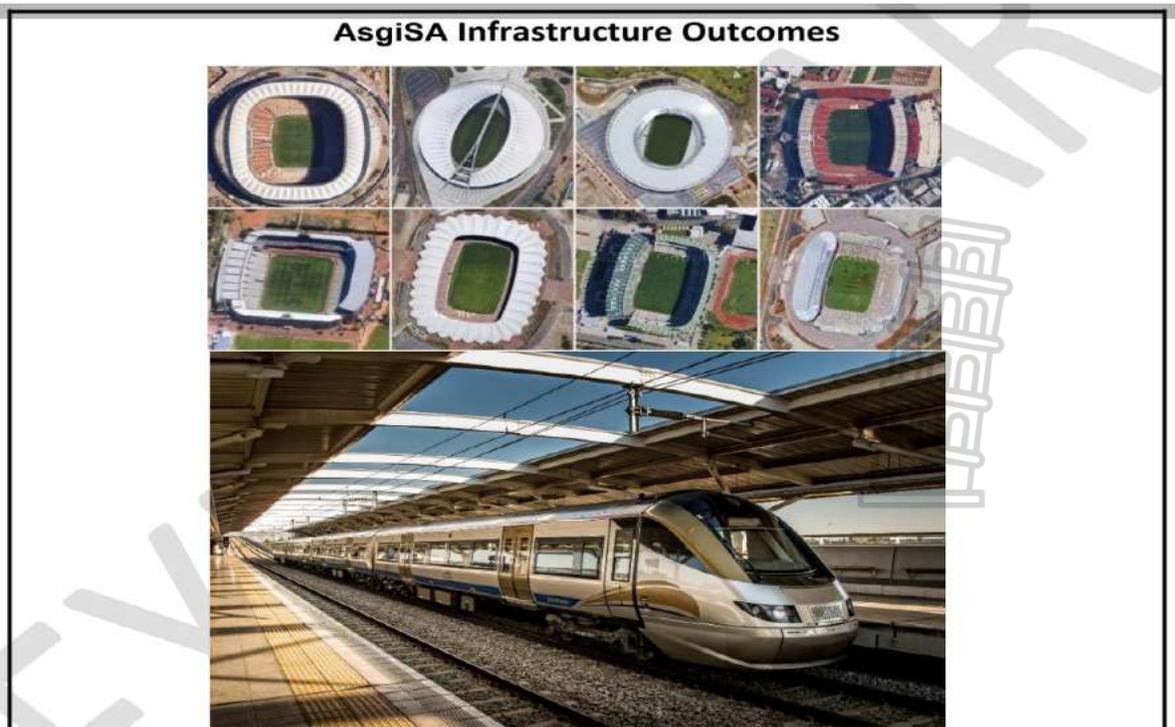
### Activity 6

6.1 Answer the following questions.

6.1.1 Name any TWO South African approaches to redistribution methods. (2 x 1) (2)

6.1.2 How does wealth differ from income? (1 x 2) (2)

6.2 Study the information below and answer the questions that follow.



[Source: <https://www.mapsofworld.com>]

6.2.1 Identify the year in which was AsgiSA launched?

(1)

6.2.2 Name ONE infrastructure outcome of AsgiSA from the images above.

(1)

6.2.3 Briefly describe the term economic marginalisation

(2)

6.2.4 Briefly explain the objectives of the Accelerated and Shared Growth Initiative for South Africa? (4)

6.2.5 How does JIPSA relate to AsgiSA?

(2 x 2)

(4)

### ACTIVITY 7

7.1 Differentiate between economic growth and economic development

(8)

7.2 Discuss the reasons for unequal distribution of income

(8)

7.3 Evaluate reconstruction programme as a development strategy in South Africa

(8)

7.4 How should higher education inequalities be addressed to improve the standard of living in

South Africa?

(8)

### Activity 8

8.1 Study the information below and answer the questions that follow.

**The IMF slightly hikes SA's growth forecast**

In its World Economic Outlook (WEO) yesterday, the IMF said though the ongoing energy crisis would drag economic growth lower this year, avoiding a technical recession in the first quarter of 2023 had given the economy some hope.

South Africa's power utility, Eskom, has resumed implementing heightened levels of power cuts during peak hours as the current electricity generation struggles to meet rising demand after lower stages of loadshedding in June.

"In South Africa, growth is expected to decline to 0,3% in 2023, with the decline reflecting power shortages, although the forecast has been revised upward by 0,2 percentage point since the April 2023 WEO, on account of resilience in services activity in the first quarter," the IMF said.

For 2024, the IMF said gross domestic product (GDP) would rebound to 1,7%, slightly lower than the 1,8% forecast in April.

Extract date: Wednesday, 26 July 2023

[Source: <https://www.iol.co.za/business-report/economy/imf-slightly-hikes-sa-growth-forecast-39b1bdf6-158a-4371-95e7-0e3c8ecc1310>]

- 8.1.1 Identify the institution that hiked SA's growth rate in the extract above.  
(1)
- 8.1.2 What is the constraint to growth in South Africa according to the extract above?  
(1)
- 8.1.3 Briefly describe the term economic growth.  
(2)
- 8.1.4 How does "avoiding a technical recession" give hope to the economy?  
(2)
- 8.1.5 Explain the importance of the view of the IMF on economic growth in South Africa.  
(2 x 2) (4)
- 8.2 Discuss the advantages of economic integration and cooperation between countries.  
(8)
- 8.2 Why are indigenous knowledge systems important for local communities?  
(8)

## Activity 9

9.1 Answer the following questions.

9.1.1 Name any TWO industries in the primary sector.

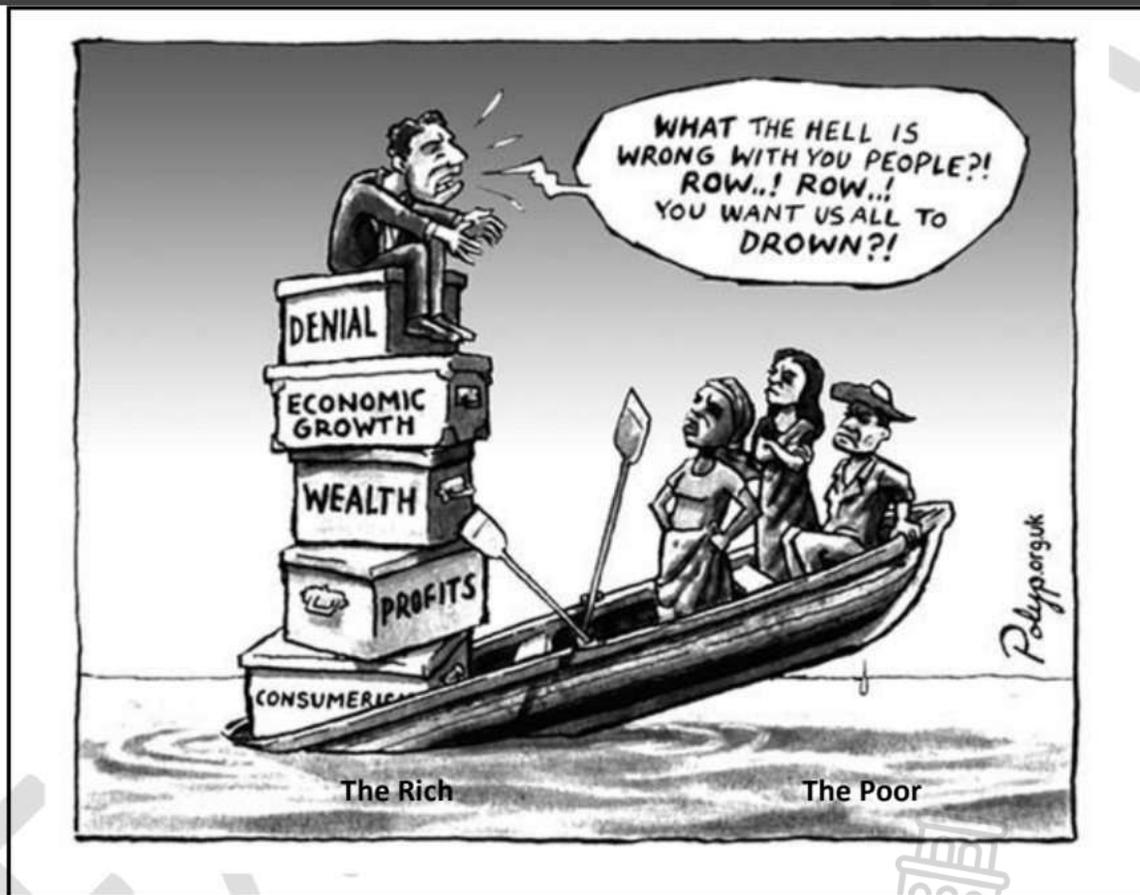
(2 x 1) (2)

9.1.2 Why do free goods have value?

(1 x 2)

(2)

9.2 Study the cartoon below and answer the questions that follow.



[Source: <http://www.polyp.org.uk/cartoons/consumerism>]

9.2.1 Identify the group referred to as 'people' in the cartoon above.

(1)

9.2.2 Name any factor which enriches the rich in the cartoon above.

(1)

9.2.3 Briefly describe the term Gini coefficient.

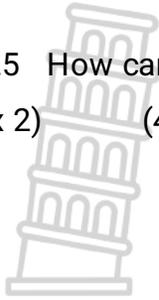
(2)

9.2.4 Why is redistribution of income and wealth important?

(2)

9.2.5 How can a progressive income tax system achieve redistribution of income?

(2 x 2) (4)



### Activity 10

10.1 Answer the following questions.

10.1.1 Name any TWO components of the monetary system in South Africa.

(2 x 1) (2)

10.1.2 How does wealth differ from income?

(1

x 2) (2)

10.2 Study the extract below and answer the questions that follow.

#### GINI COEFFICIENT IN SOUTH AFRICA 2006–2015

The Gini coefficient in South Africa was 0,65 points in 2015; with lesser inequality in income within the rural areas of the most southern country of Africa. An ideal situation is one in which incomes are perfectly distributed with the equal zero.

South Africa had the world's highest inequality in income distribution.

[Source: StatsSA]

10.2.1 Name the index that describes the percentage of the population living below the poverty-line

income.

(1)

10.2.2 Indicate what a Gini coefficient of one means.

(1)

10.2.3 Briefly describe the term Gini co-efficient. (2)

10.2.4 Explain the relationship between the Lorenz curve and the Gini coefficient.

(2)

10.2.5 How can the government reduce inequality in income distribution?

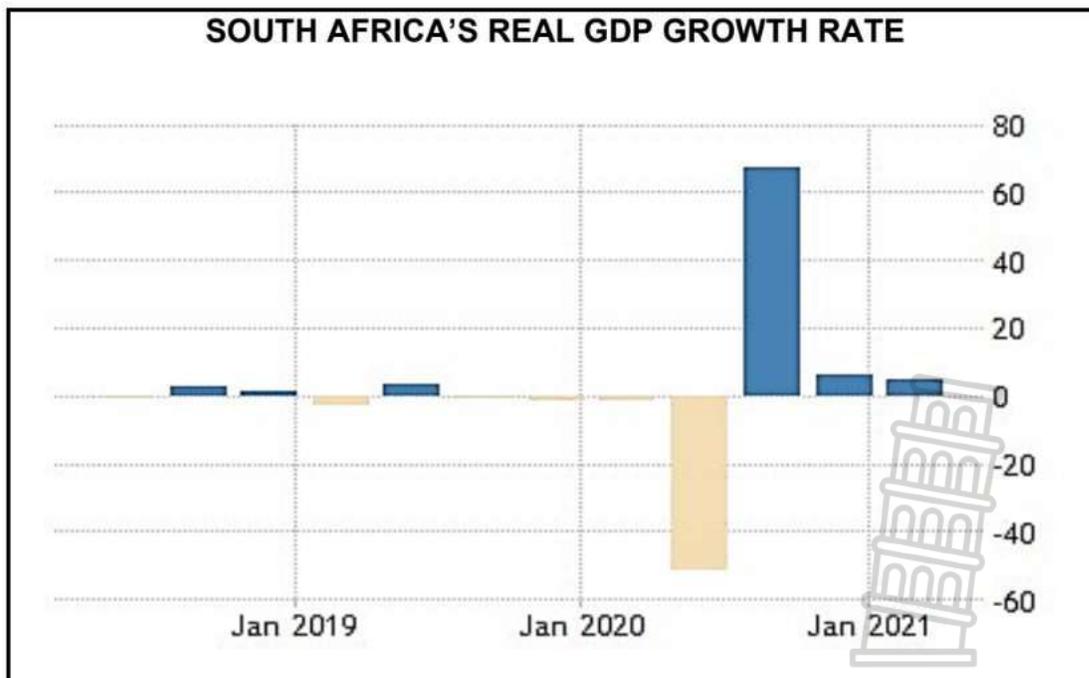
(4)





### Activity 11

11.1 Study the graph and answer the questions that follow.



[Adapted from [tradingeconomics.com](https://tradingeconomics.com)]

11.1.1 Identify the period in which growth in real GDP is the lowest.

(1)

11.1.2 Name an economic indicator that is used to measure economic growth.

- (1)
- 11.1.3 Briefly describe the term economic growth.  
(2)
- 11.1.4 Explain factors that can lead to increased economic growth.  
(2)
- 11.1.5 Why is South Africa experiencing low economic growth rate levels?  
(2 x 2) (4)
- 11.2 Discuss credit cards and electronic fund transfers as means to make payments.  
(8)
- 11.3 Evaluate the South African's government efficiency in delivering socio- economic services (8)

## ACTIVITY 12

Discuss the methods used by the government to redistribute income and wealth

(26)

Analyze the causes of uneven distribution of income in South Africa

(10)

## Activity 13

- Discuss in detail the economic importance of the primary sector.  
(26)
- Analyze the negative impact of the global pandemic (Covid- 19) on the economic structure in South Africa. (10)

## TOPIC 9: ECONOMIC DEVELOPMENT

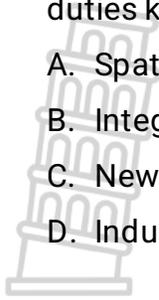
### ACTIVITY 1

1.1 Various options are provided as answers to the following questions. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1–1.1.5) in the ANSWER BOOK, for example 1.1.7 D

1.1.1 Purpose built Industrial estates in South- Africa, which are exempted from import

duties known as a/an ...

- A. Spatial Development Initiatives
- B. Integrated Manufacturing Strategy
- C. New Growth Path
- D. Industrial Development Zones



1.1.2 The nationwide government intervention plan to create employment for the poor and vulnerable is called the ...

- A. Industrial Policy Action Plan
- B. Affirmative Action.
- C. Expanded Public Works Programme (EPWP).
- D. Black Economic Empowerment (BEE).

1.1.3 ... measures the standard of living in a country.

- A. per capita income
- B. inflation level
- C. Real GDP
- D. circular flow

1.1.4 Knowledge that is unique to a given culture or society is called...

- A. Intellectual property
- B. Indigenous Knowledge System
- C. Cultural diversity
- D. Entrepreneurship



1.1.5 A policy aimed to increase the ownership of agricultural land to black people in the economy.

- A. Land restitution

- B. Black Economic Empowerment
- C. land redistribution
- D. Broad Based Black Economic Empowerment

(5x2)(10)

1.2	<b>Choose a description in COLUMN B that matches an item in COLUMN A. Write only the letter (A–E) next to the question number (1.2.1–1.2.4) in the ANSWER BOOK, for example 1.2.5 D.</b>		
	<b>COLUMN A</b>	<b>COLUMN B</b>	
1.2.1	Human Development Index	A	Focus is on skills development, especially through the SETAS.
1.2.2	productivity	B	Focuses on land for residential and production farm for previously disadvantaged groups.
1.2.3	Economic growth	C	It measures the standard of living
1.2.4	Joint initiative for priority skills acquisition	D	Focuses in the increasing of production of goods and services
		E	Relationship between the quantity of output and quantity of input

(4x1) 4

## ACTIVITY 2

**2.1 Answer the following questions**

2.1.1 Name any two strategies used to improve economic development.

(2)

2.1.2 How can technology accelerate economic development in South Africa?

(2)

**2.2 Study the extract below and answer questions that follow.**

**Government's great plans disappeared**

"Since 1994 great plans have been mooted, but their implementation has never seen the light of day," he said. He said the GEAR plan was progressive but disappeared "like dew in the morning sun". "The same fate befell AsgiSA. In similar fashion, the youth wage subsidy also walked the plank"

SOURCE: <https://www.iol.co.za/news/politics/governments-great-plans-have-disappeared-1766794>

2.2.1 Identify the policy in the extract that was implemented in 1996.

(1)

2.2.2 Name the policy that was introduced 1994 in South Africa?

(1)

2.2.3 Briefly describe the term *infrastructure*.

(2)

2.2.4 Explain the role that government can play in improving the quality of labour.

(2)

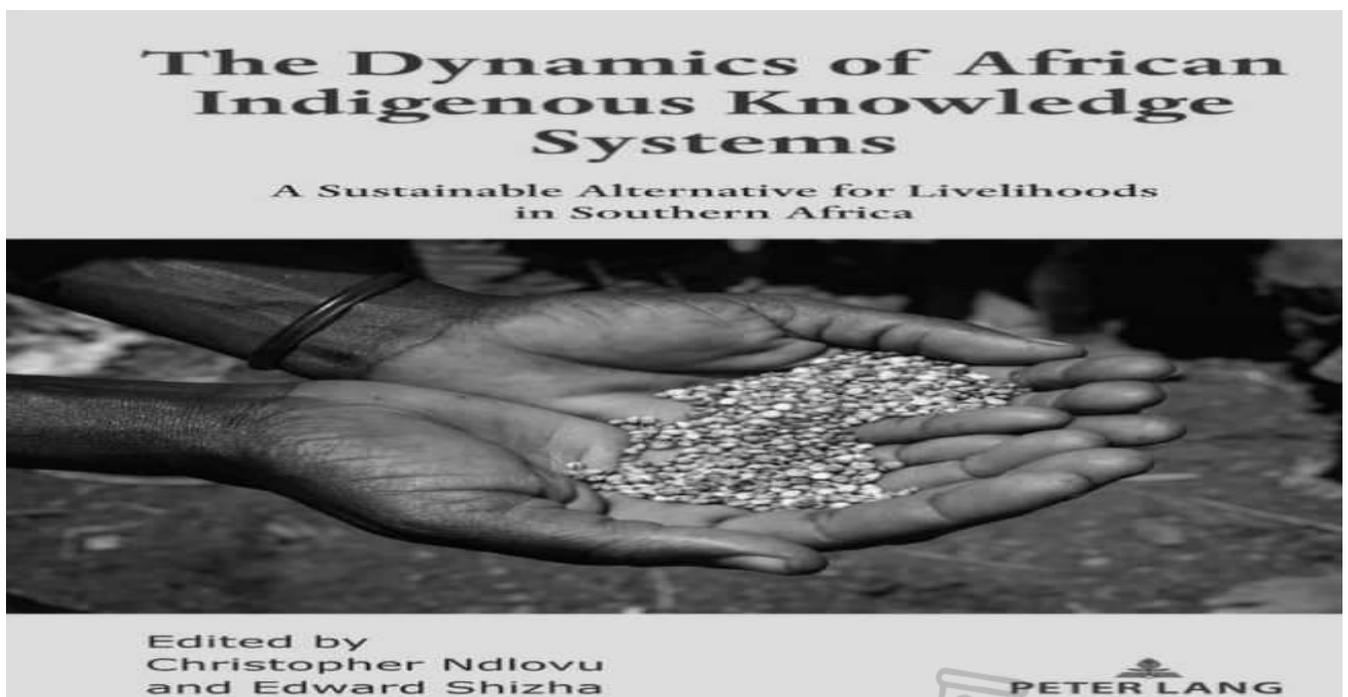
2.2.5 How can economic growth lead to economic development?

(4)



### ACTIVITY 3

3.1 Study the picture below and answer questions that follow.



source:google.com

3.1.1 Identify the group of people which are mostly benefitting from the IKS.

(1)

3.1.2 Name any type of indigenous knowledge that exists in South Africa.

(1)

3.1.3 Briefly describe the term *indigenous knowledge system*.

(2)

3.1.4 Why does the government implement policies to protect and promote indigenous knowledge

systems?

(2)

3.1.5 How important are indigenous people in the country's economy?

(4)

#### Activity 4

4.1. Study the picture below and answer the question that follow.





4.1.1. Give any type of marginalized group who do not form part of economic mainstream  
(1)

4.1.2. Name the largest job creation initiative by government  
(1)

4.1.3. Briefly describe the term empowerment  
(2)

4.1.4. Explain the impact of human resources development agency on the economy.  
(2)

4.1.5. How the government uses its procurement system to improve the situation of the economically marginalized?  
(2x2) (4)



**Activity 5**

5.1 Study the extract below and answer the questions that follow.

**‘Developing countries risk being left behind...’**

In its flagship Technology and Innovation Report 2023, UNCTAD said the economic inequalities that exist between developing and developed countries look set to worsen in years to come because the former will find it harder to tap into the market opportunities that exist around green technologies.

During a press conference to discuss the contents of its 236-page report, UNCTAD director Shamika Sirimanne said there was “enormous potential” for developing countries to benefit from the “green technological revolution” but there was a high risk that this opportunity could be squandered.

“There is enormous potential for developing countries ... and I say potential because at the moment it remains at that level,” she said.

[Source: <https://www.computerweekly.com/news/>]

5.1.1 Identify a possible trend in economic inequalities from the extract above.

(1)

5.1.2 List ONE characteristic of developing country.

(1)

5.1.3 Briefly describe the term economic development

(2)

5.1.4 Why do economic inequalities exist between developing and developed countries?

(2)

5.1.5 How can unemployment be best measured in developing countries?

(2 x 2) (4)

5.2 Discuss efficiency and freedom of action and ownership as advantages of a market economy (4 x 2) (8)

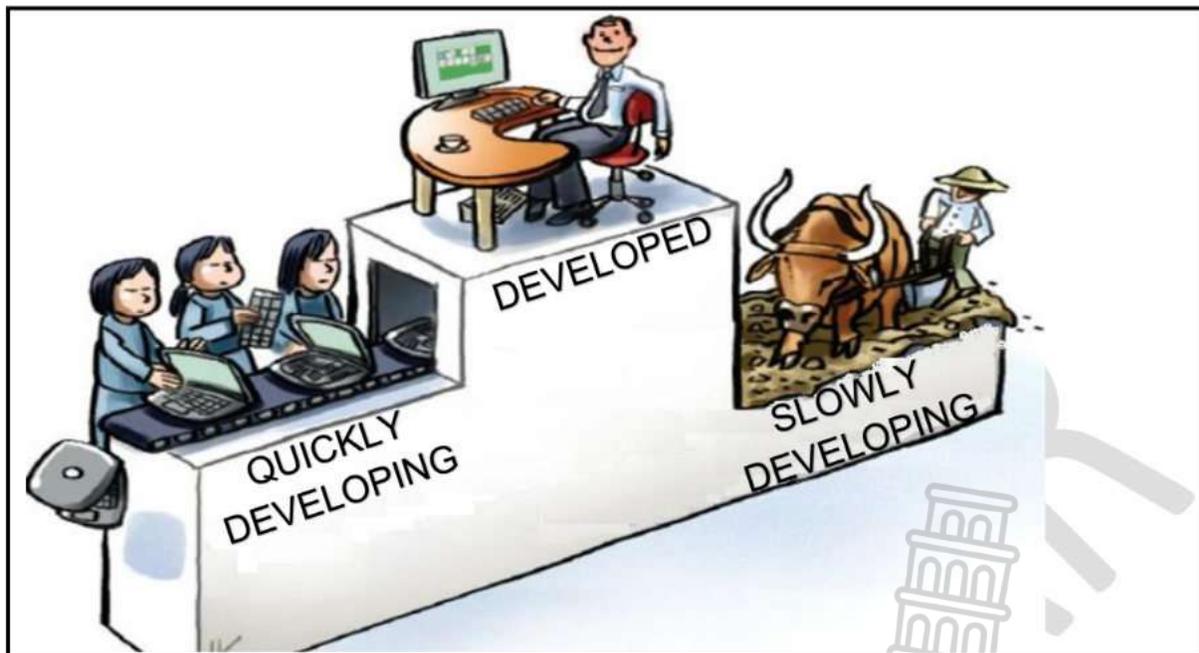
5.3 Evaluate government’s involvement in increasing access to economic opportunities.

(8)



### Activity 6

6.1 Study the cartoon below and answer the questions that follow.



[Source: googleimages]

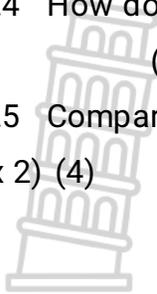
- 6.1.1 Identify the type of economy in which the primary sector will contribute the most to GDP. (1)
- 6.1.2 Name any ONE fast developing country in Africa. (1)
- 6.1.3 Briefly describe the term North/South divide. (2)

6.1.4 How does access to safe drinking water influence life expectancy?

(2)

6.1.5 Compare the characteristics of rich (North) and poor (South) countries.

(2 x 2) (4)



### ACTIVITY 7

7.1 Briefly explain *dependence on primary sector and deficient infrastructure* as the characteristics of developing country. (8)

7.2 How successful has RDP been in achieving its goals? (8)

### ACTIVITY 8

Discuss characteristics of developing countries

(26)

How have basic services, such as health and welfare, improved in South Africa?

(10)



### Activity 9

• Discuss in detail the characteristics of developing countries.

(26)

• How does the National Development Plan propose to increase economic growth and development in South Africa?



(10)

## TOPIC 10: MONEY AND BANKING

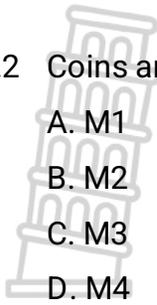
### ACTIVITY 1

1.1 Various options are provided as possible answers to the following questions. Choose the correct answer and write only the letter (A – D) next to the question number (1.1.1 – 1.1.5) in the ANSWER BOOK. e.g. 1.1.6.D

1.1.1 The price at which the South African Reserve Bank lends money to other banks is known as ...

- A. prime rate
- B. repo rate
- C. interest rate
- D. flat rate

1.1.2 Coins and banknotes in the circulation plus cheque account is known as ...



- A. M1
- B. M2
- C. M3
- D. M4

1.1.3 An exchange rate system in which the price of a currency is determined by the demand and supply is called ...

- A. free floating
- B. managed
- C. fixed
- D. floating

1.1.4 The industry that lends small amount to those who are unable to borrow from normal banks is known as ...

- A. micro- finance
- B. micro- lenders
- C. markets
- D. macro- finance

1.1.5 A situation when a bank is unable to meet its obligations to its depositors or other creditors is called...

- A. bank finance
- B. bank loan
- C. bank failure
- D. bank fraud



(5×2) 10

1.2 Choose a description from the column B that matches the item in column A . Write only the letter to the question number ( 1.2.1- 1.2.8.) in the answer book.

COLUMN A	COLUMN B
----------	----------

1.2.1 Central bank	A. Used by the SARB to convince banks to act in a way that is desirable in the current economic conditions.
1.2.2 Micro-lending	B. The central banks use of changes in the quantity of money or the interest rates to stabilize the economy.
1.2.3 Deflation	C. The rate at which the commercial banks charge creditworthy customers.
1.2.4 Loan sharks	D. An institution that manages a state currency, money supply and interest rate
1.2.5 Moral persuasion	E. Generally accepted by law as a means of payments
1.2.6 Prime rate	F. The general decrease in the value of money over a period of time
1.2.7 Money	G. Provides small amount of credit to low income earners at high interest rate
1.2.8 Monetary policy	H. A financial innovation made possible by technology and peer to peer economy
	I. The rate at which banks borrow funds at Reserve Bank

(8×1) 8

**1.3 Give ONE term for each of the following descriptions, Write only the term next to the question number (1.3.1 – 1.3.4) in the answer book. Abbreviation, Examples and Acronyms will not be accepted.**

1.3.1 The price of one currency in terms of another country's currency

1.3.2 Money used in a specific country

1.3.3 The number of times the available money supply in the economy changes hands.

1.3.4 Percentage of deposits at banks that must be kept on hand to meet short-term and emergency funding needs.

1.3.5 A process of giving to many loans to micro-lenders, while increasing the risks of

loans not being paid.

- 1.3.6 A general rise in the prices of goods and services which leads to a decline in the buying power.

(6×1) 6

## ACTIVITY 2

### 2.1 Answer the following questions

- 2.1.1 Name two money associated instruments. (2)
- 2.1.2 How do credit cards contribute positively to the economy?  
(2)

### 2.2 Study the picture below and the questions that follow.



- 2.2.1 Name the institution that issues bank notes in South Africa.  
(1)
- 2.2.2 Mention any one secondary instrument used as a payment method in South Africa  
(1)
- 2.2.3 Briefly describe the term *open market transaction*. (2)
- 2.2.4 Explain the basic function of financial intermediary (2)
- 2.2.5 How does inflation affect value of money over time ?

(4)



### ACTIVITY 3

- 3.1 Briefly discuss money as medium of exchange and unit of account as a function of money. (8)
- 3.2 Analyze the benefit of microfinance in the economy (8)

### ACTIVITY 4

4.1 Study the cartoon below and answer the questions that follow.



- 4.1.1 Name the central bank in South Africa . (1)
- 4.1.2 Mention any instruments used in monetary policy. (1)
- 4.1.3 Briefly describe the term *repo rate*. (2)
- 4.1.4 Explain government's banker as a function of the central bank.

(2)

4.1.5 How will cut in interest bank rates influence consumer spending?

(4)



## ACTIVITY 5

5.1 Study the cartoon below and answer the questions that follow.



5.1.1 Name any functions of the South African Reserve Bank.

(1)

5.1.2 State the inflation targeting range in South Africa.

(1)

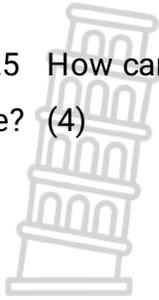
5.1.3 Briefly describe the term prime rate.

(2)

5.1.4 Explain the role of the SARB when bank failure occurs.

(2)

5.1.5 How can South Africa's monetary policy contribute to higher economic growth rate? (4)



## ACTIVITY 6

6.1 Study the table below and answer the question that follows.

SOUTH AFRICAN BANKS THAT HAVE FAILED		
Bank	Year of curatorship	Reason
VBS Mutual bank	2018	Poor management and liquidity problems
African Bank	2014	Poor management and liquidity problems, particularly around unsecured lending
Sambou Bank	2002	Poor management and liquidity problems
New Republic bank	2002	Poor management and

		liquidity problems
Source: Google		

6.1.1 Which institution intervene in the event of bank failure

(1)

6.1.2 Give ONE reason for the failure of VBS

(1)

6.1.3 Briefly describe the term bank failure?

(2)

6.1.4 Why would the Reserve Bank increase the repo rate?

(2)

6.1.5 How will a cut in the repo rate influence producers?

(4)



### Activity 7

7.1 Study the information below and answer the questions that follow.



**CENTRAL BANKING IN SOUTH AFRICA**

The Central Bank uses the monetary policy instruments to influence the level of inflation. Changes in the repo rate affect the broader economy.

National Treasury, in consultation with the central bank, sets the inflation target, which acts as a benchmark against which price stability is measured.

[Adapted from [resbank.co.za](http://resbank.co.za)]

7.1.1 Name any function of the South African Reserve Bank.

(1)

7.1.2 State the inflation targeting range in South Africa.

(1)

7.1.3 Briefly describe the term repurchase(repo) rate.

(2)

7.1.4 Explain the role of the SARB when bank failure occurs.

(2)

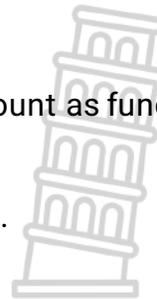
7.1.5 How can South Africa's monetary policy contribute to a higher economic growth rate? (2 x 2) (4)

7.2 Briefly discuss medium of exchange and unit of account as functions of money.

(4 x 2) (8)

7.3 Analyze the benefits of microfinance in the economy.

(8)



### Activity 8

• Discuss, in detail, the functions of the South African Reserve Bank.

(26)

- How can monetary policy be used to slow down an overheating economy?

(10)

[40]

**TOPIC 11: GLOBALISATION**

**ACTIVITY 1**

**1.2 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number.**

1.2.1 Purchase of financial assets where an investor is only interested in financial returns of his investment is called ...

- A. direct investment
- B. financial derivative.
- C. other investments
- D. portfolio investment

1.1.2 An arrangement among nations that includes the reduction of trade barriers and the coordination of monetary and fiscal policies is known as...

- A. economic union
- B. economic policy
- C. economic integration
- D. world economics

1.2.2 A currency of one country expressed in terms of a currency of another country is known as...

- A. exchange rates
- B. monetary value
- C. fiat money
- D. modern money



1.1.4 The ratio of the index export prices and import prices is known as ...

- A terms of trade
- B exchange rate
- C balance of trade
- D current account

(4x2) 8

1.2 Choose a description from COLUMN B that matches the item in COLUMN A. Write only the letter (A- I) next to the question number (1.2.1 – 1.2.5) in the ANSWER BOOK.

COLUMN A	COLUMN B
1.2.1 Foreign direct investment	A. The worldwide interfacing and interaction of economies with trade as an important element and making it possible
1.2.2 Multinational Enterprise	B. When foreign company invest in a business in another country by investing in building/.
1.2.3 Absolute advantage	C. The socio- economic and political division between the wealthy developed countries and the poor developing countries also known as the developing gap.
1.2.4 Globalisation	D. Occurs when a country can produce a given good at a lower opportunity cost than any other country
1.2.5 North- South Divide	E. An intergovernmental political forum that consists of eight major industrial economies of the world.
	F. enterprise producing goods or delivering services in more than one country.

(5X1) 5

1.3 Provide the economic term/concept for each of the following descriptions. Write only the term/concept next to the question number.

- 1.3.1 Developing countries that succeed in attracting fixed and portfolio investment from developed countries
- 1.3.2 The trading of goods and services between countries with less restrictions.
- 1.3.3 A limit on the supply of good or a service.

(3x1) 3

## ACTIVITY 2

### 2.1 Answer the following questions.

- 2.1.1 Name any two causes of globalization. (2)
- 2.1.2 What is the impact of international trade in country's economy?  
(2)

### 2.2 Study the extract below and answer the questions that follow.

#### FROM HYPER- GLOBALISATION TO SLOWBALISATION

Over recent years, a notable shift has been observed in the global economic and cultural exchange trajectory, marking a departure from the rapid pace of globalisation towards what is increasingly termed 'slowbalisation' in economic literature.

Slowbalisation is the perceived trend away from the rapid globalisation that characterised much of the late 20th and early 21st centuries towards a slower, more localised, and even regressive approach to economic and cultural exchange. This concept suggests weakening political support for open trade amid increasing geopolitical tensions – a shift from the intense interconnectedness and interdependence of global economies and societies towards a more measured, cautious, or localised approach.

Google.com

2.2.1 Identify the term given to recent shift of globalization.

(1)

2.2.2 Name one reason towards localized approach.

(1)

2.2.3 Describe the term *trade liberalization*.

(2)

2.2.4 Briefly explain the negative impact of globalization in developing countries?

(2)

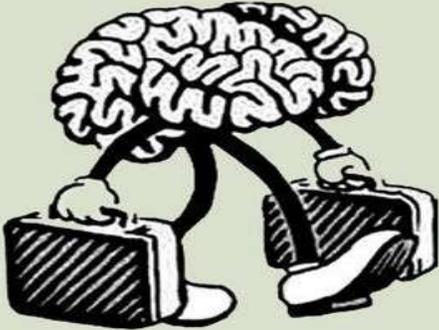
2.2.5 How is improved communication system contributed to globalization.

(4)

### ACTIVITY 3

3.1 Study the cartoon below and answer questions that follow.





**gradeup**

**Op-Ed Focus**  
**Managing migration,  
as well as brain drain**

Source: Google .com

3.1.1 Identify the concept used for loss of skills in the cartoon above.

(1)

3.1.2 Give a term used for people leaving their own country.

(1)

3.1.3 Briefly describe the concept *internationalization*.

(2)

3.1.4 What causes workers from developing countries move to developed countries?

(2)

3.1.5 How can a country avoid emmigration of skilled workers?

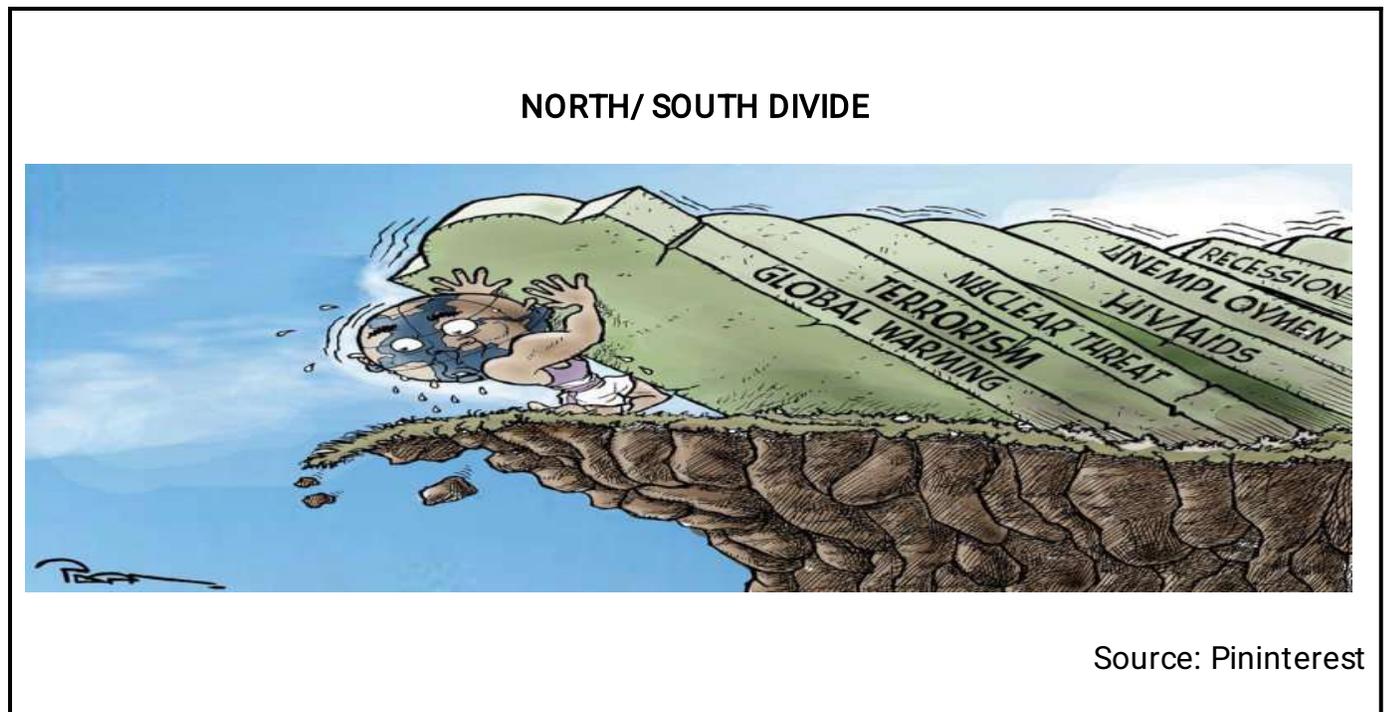
(4)





#### ACTIVITY 4

4.1 Study the cartoon below and answer questions that follow.



4.1.1 Identify the economic concept that depicted in above cartoon?

(1)

4.1.2 Name one problem identified in the above cartoon.

(1)

4.1.3 Briefly describe the term *capitalism*.

(2)

4.1.4 What could be the cause of lower standard of living in Southern economies?

(2)

4.1.5 To what extent have Northern countries pose environmental threat to Southern countries? (4)



### Activity 5

5.1 Answer the following questions.

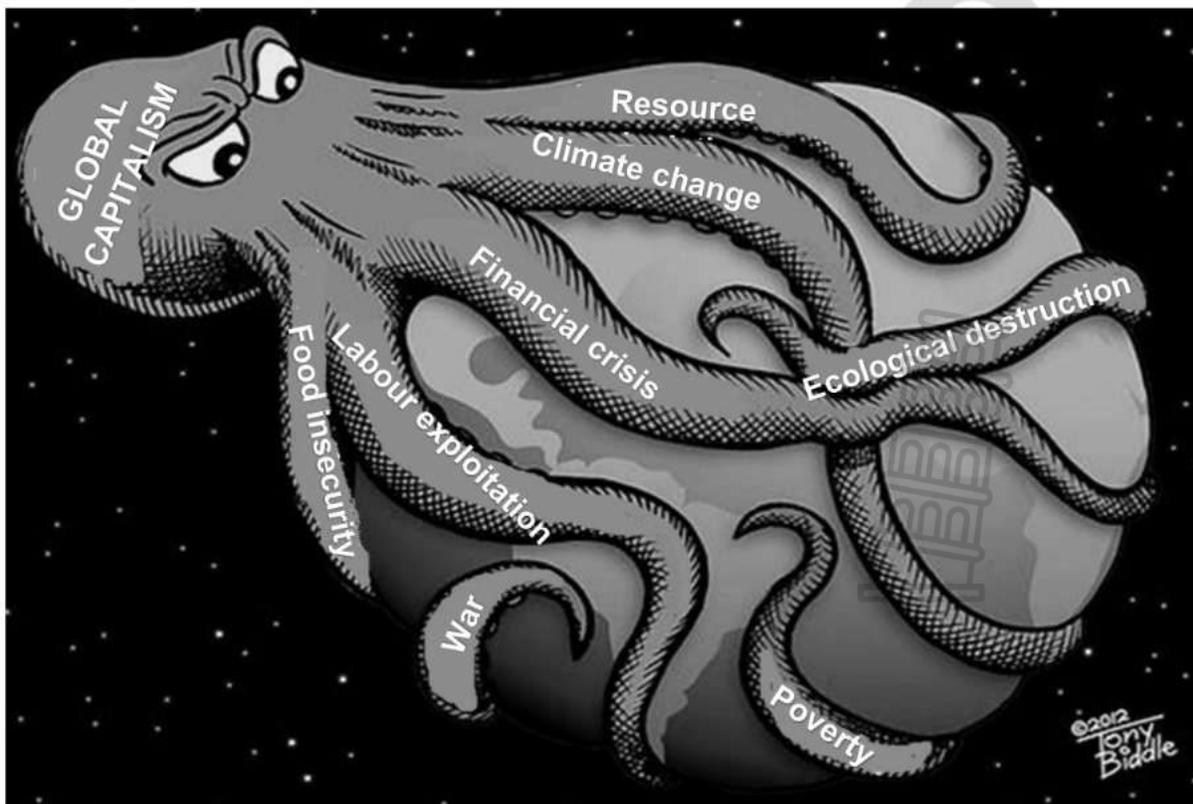
5.1.1 Name any TWO modes of transport involved globally.

(2 x 1) (2)

5.1.2 How can the government successfully use command and control measures to ensure environmental sustainability?

(1 x 2) (2)

5.2 Study the cartoon below and answer the questions that follow.



[Source: googleimages]

5.2.1 Identify ONE consequence of globalization from the information above.

(1)

5.2.2 Which global institution assists countries in financial crisis?

(1)

5.2.3 Briefly describe the term globalization

(2)

5.2.4 What are the effects of globalization on developing countries?

(2)

5.2.5 Explain the effects of economic integration within the globe.

(2 x 2) (4)

## ACTIVITY 6

6.1 Study the picture and answer the questions.





6.1 Briefly discuss any TWO characteristics of globalization.

(8)

6.2 Evaluate the impact of foreign direct investment in a country's economy?

(8)

### ACTIVITY 6

Discuss in detail the causes of globalization.

(26)

How does globalization negatively affect developing countries?

(10)



## TOPIC 12: ENVIRONMENTAL DETERIORATION

### ACTIVITY 1

1.1 Study the cartoon below and answer the questions that follow.

1.1.1. Identify the economic concept represented in the cartoon above.

(1)

1.1.2 Name the legislation that governs South Africa's biodiversity resources.

(1)

1.2.3 Briefly describe the term *environmental sustainability*

(2)

1.2.4 Why do markets fail to ensure sustainability?

(2)

1.2.5 How can the government ensure sustainable use of the environment?

(4)

### ACTIVITY 2

2.1 Study the picture below and answer the questions that follow.



- 2.1.1 Identify the environmental problem in the cartoon above. (1)
- 2.1.2 Name the environmental legislation that protect ecological areas in South Africa. (1)
- 2.1.3 Briefly describe the term *conservation*. (2)
- 2.1.4 Explain the importance of education in dealing with environmental degradation. (2)
- 2.1.5 How does climate change negatively impact the economy? (4)

### ACTIVITY 3

3.1 Study the extract below and answer the question that follows.

#### WHAT IS HAZARDOUS WASTE?

Hazardous waste is a waste that contains organic or inorganic elements or compounds that may, owing to the inherent physical, chemical or toxicological properties of that waste that has a detrimental impact on health or the environment causing death or infertility. Hazardous waste may be generated from household, agricultural sector, mining, manufacturing processes, medical facilities, educational institutions, research institutions, and many other sectors. Hazardous waste must be handled with precaution and must be disposed at authorized hazardous waste management facilities.

<https://sawic.environment.gov.za>

- 3.1.1 Identify the danger that is poised by hazardous waste on human life. (1)
- 3.1.2 Name the international agreement that deals with hazardous waste. (1)
- 3.1.3 Briefly describe the term *biodiversity loss*. (2)
- 3.1.4 Why is the indigenous knowledge system important in ensuring environmental

sustainability?(2)

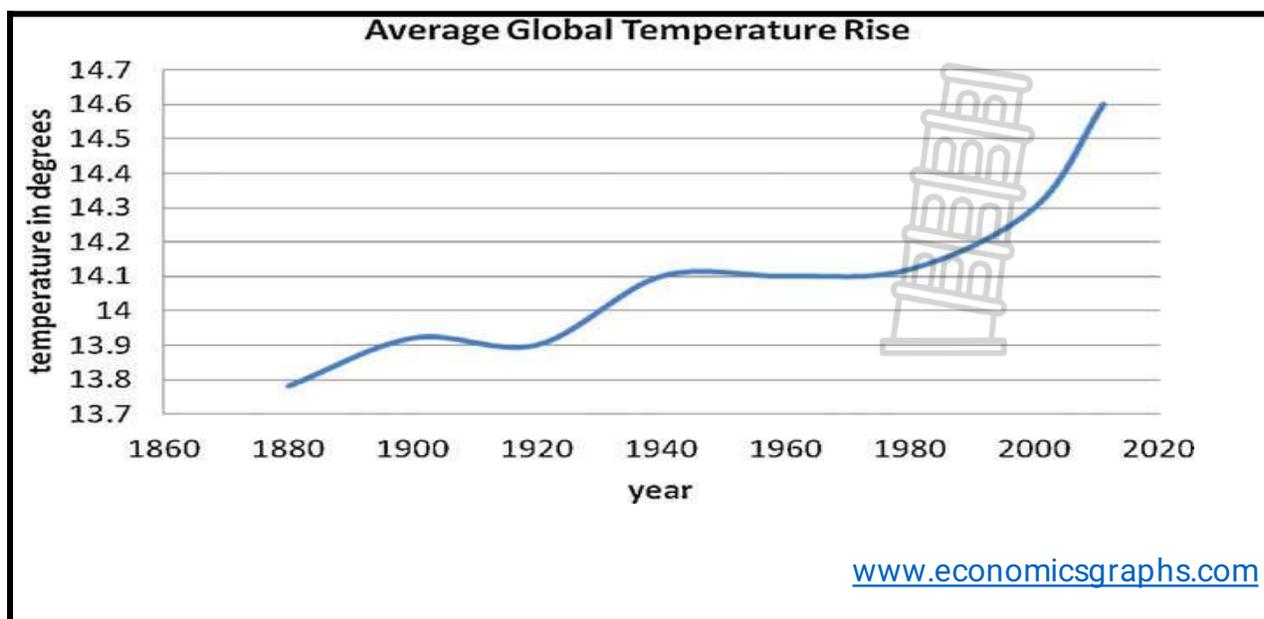
3.1.5 How successful has the Paris agreement been in dealing climate change?

(4)



#### ACTIVITY 4

4.1 Study the graph below and answer the questions that follow.



4.1.1 Identify the temperature in degrees for the year 2000.

(1)

4.1.2 Name the international agreement that deals with biodiversity loss.

(1)

4.1.3 Briefly describe the term *pollution*

(2)

4.1.4 Why is it important for the government to promote the use of renewable resources? (2)

4.1.5 How can greenhouse taxes be used to curb pollution?

(4)

### ACTIVITY 5

5.1 Differentiate between conservation and preservation.

(8)

5.2 How is the environment as a general resource responsible for market failure?

(8)

5.3 Evaluate the impact of *soil erosion* and *deforestation* on the economy.

(8)

5.4 How do consumers as key market role-players fail to protect the environment?

(8)

5.5 How effective are pollution control measures in South Africa?

(8)

5.6 What are the benefits of using technology in sustaining the environment?

(8)

5.7 Why have the international measures (agreements) been ineffective in reducing the effects of

climate change?

(8)

### Activity 6

6.1 Study the picture below and answer the questions that follow.



[Source: [com/south-africa/pictures-pikitup-workers-strike-turns-joburg-city-dirt](http://com/south-africa/pictures-pikitup-workers-strike-turns-joburg-city-dirt)]

6.1.1 Identify the brown environmental issue illustrated above.

(1)

6.1.2 Which areas are often highly polluted in a country?

(1)

6.1.3 Briefly describe the term environmental sustainability.

(2)

6.1.4 Explain environmental taxes to sustain the environment.

(2)

6.1.5 Why are industries often blamed for contributing to environmental and air pollution? (2 x 2) (4)

6.2 Explain the main objectives of the Millennium Development Goals (MDGs).

(4 x 2) (8)

6.3 How can floods negatively affect the economy?

(8)



**Activity 7**

- Examine, in detail, the problems threatening the environment.

(26)

- Evaluate the implementation of the goals of the World Summit on Sustainable

Development in South Africa.

(10)

[40]

