



Province of the
EASTERN CAPE
EDUCATION

O.R Tambo Coastal District

Economic and Management Sciences

Grade 9

June Exam 2025

Paper 2

THE ECONOMY & ENTREPRENEURSHIP

Marks: 50

Stanmorephysics.com

Time: 90 minutes

School Name: _____

Learner's Name: _____

Instructions:

1. Write the answers in the space provided.
2. Answer all the questions
3. Write neatly and legibly

SECTIONS	Question No	Mark Allocated	Total Marks	Mark Obtained	Moderated Mark
SECTION A			25		
	1.	10			
	2.	15			
SECTION B	THE ECONOMY		25		
	2.	10			
	3.	15			
	4.	10			
			50		

SECTION A [25 Marks]

QUESTION 1

1. State whether the following statements are **True** or **False**

STATEMENTS	ANSWERS
1.1 Capitalism is another word for a planned economy.	1.1
1.2 South Africa has a mixed economy.	1.2
1.3 Globalisation refers to the practice of limiting international trade through import duties.	1.3
1.4 International trade is simply import and export between different countries.	1.4
1.5 The economic problem of scarcity refers to limited needs and unlimited resources.	1.5

[10]

QUESTION 2

2. Name and explain three sectors of the economy and any give two examples of businesses found in each sector.

SECTOR:	EXPLANATION:	EXAMPLE:
1.		
2.		
3.		

[15]

SECTION B [25 Marks]

QUESTION 3

3.1 What is a closed economy?

(2)

3.2 Name the three participants in the circular flow of a closed economy.

(3)

3.3 Explain how money flows in the economy between households and businesses.



(4)

3.4 List two things that households provide to businesses.

(2)

3.5 Draw and Label simple circular flow diagram for a closed economy.

(4)
[15]

QUESTION 4

4. Study the following graph and answer the questions that follows:



4.1 Define the terms demand and supply

- Demand:

(3)

- Supply:

(3)

4.2 Define market equilibrium.



(2)

4.3 In the above graph identify equilibrium price and equilibrium quantity.

- Equilibrium price = _____ (1)

- Equilibrium quantity = _____ (1)

[10]

GRAND TOTAL [50]





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MEMORANDUM

Marks: 50

Time: 90 minutes

Instructions:

4. Write the answers in the space provided.
5. Answer all the questions
6. Write neatly and legibly

SECTIONS	Question No	Mark Allocated	Total Marks	Moderated Mark
SECTION A			25	
	1.	10		
	2.	15		
SECTION B			25	
	2.	15		
	3.	10		
			50	

SECTION A [25 Marks]

QUESTION 1

1. State whether the following statements are True or False.

STATEMENTS	ANSWERS
1.1 Capitalism is another word for a planned economy.	False – Capitalism is another word for a market. Communism refers to a planned economy. vv
1.2 South Africa has a mixed economy.	True. vv
1.3 Globalisation refers to the practice of limiting international trade through import duties.	False – Globalisation refers to the practice of promoting international trade. Import duties decrease levels of international trade. vv
1.4 International trade is simply import and export between different countries.	True. vv
1.5 The economic problem of scarcity refers to limited needs and unlimited resources.	False – Scarcity refers to unlimited needs and limited resources. vv

[10]

QUESTION 2

2. Name and explain three sectors of the economy and any give two examples of businesses found in each sector.

SECTOR:	EXPLANATION:	EXAMPLE:
1. Primary Sector. v	Industries and business that extract raw materials from the natural environment. vv (Any other relevant answer x 2 Marks)	Fishing Farming Forestry Mining vv
2. Secondary Sector. v	All industries and businesses that process raw materials or manufacture goods. vv (Any other relevant answer x 2 Marks)	Construction Factories Food Processing Textiles vv
3. Tertiary Sector. v	All industries and businesses that provide services or sell goods. vv (Any other relevant answer x 2 Marks)	Retail Restaurants Banking Tourism vv

[15]

SECTION B [25 Marks]

QUESTION 3

3.1 What is a closed economy?

Is the economy that does not trade with other countries – no imports or exports. ✓✓

(2)

3.2 Name the three participants in the circular flow of a closed economy.

- Households. ✓
- Businesses. ✓
- Government. ✓

(3)

3.3 Explain how money flows in the economy between households and businesses.

- Households provide labour to businesses. ✓
- Businesses pay wages (income) to households. ✓
- Households spend money on goods and services. ✓
- Businesses earn income from household spending. ✓

Any other relevant answer.

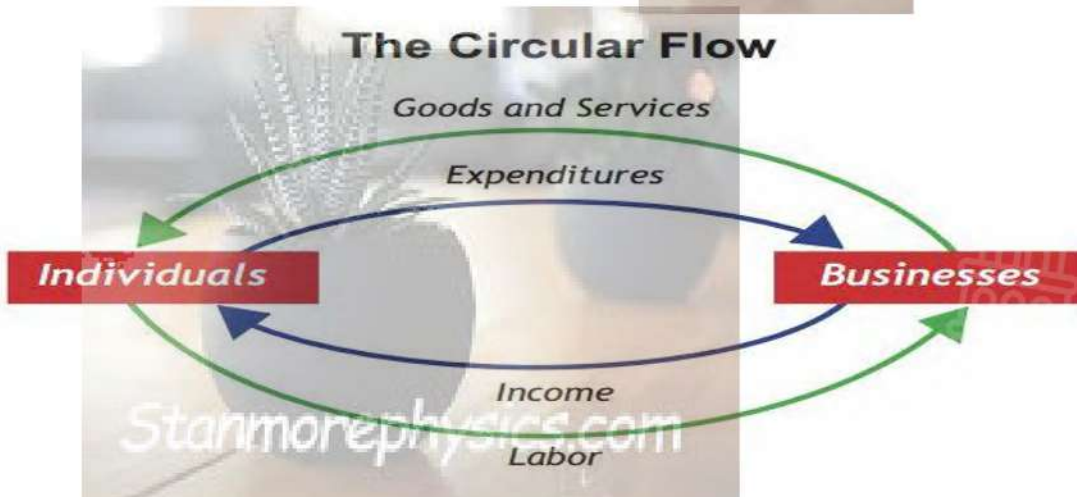
(4)

3.4 List two things that households provide to businesses.

- Labour. ✓
- Capital or Entrepreneurship. ✓

(2)

3.5 Draw a simple circular flow diagram for a closed economy.



(4)

[15]

QUESTION 4

4.1 Define the terms demand and supply.

- **Demand:** is the different quantities of goods and services that consumers are willing and able to buy at various prices specific price. ✓✓✓

(3)

- **Supply:** is the quantity of goods and services that suppliers are willing to supply at various possible prices during the specific period. ✓✓✓

(3)

4.2 Define market equilibrium.

- Market equilibrium: occurs at price where quantity demanded and quantity supplied are equal. ✓✓

(2)

4.3 Identify equilibrium price and equilibrium quantity.

- Equilibrium price = R3. ✓
- Equilibrium quantity of 60 units. ✓



(2)
[10]

[GRAND TOTAL = 50]