Province of the
EASTERN CAPE
EDUCATION

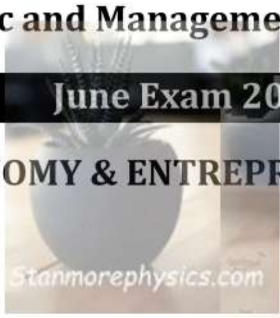
O.R Tambo Coastal District

Economic and Management Sciences

Grade 9	**June Exam 2026**	**Paper 2**

THE ECONOMY & ENTREPRENUERSHIP

Marks: 50 **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**

Marks obtained: _____________

SECTIONS	Question No.	Mark Allocated	Total Marks	Mark Obtained	Moderated Mark
SECTION A			25		
	1.	10			
	2.	15			
SECTION B			25		
	3.	16			
	4.	09			
			50		

SECTION A [25 Marks]

QUESTION 1 [ECONOMIC SYSTEMS]

1.1 State whether the following statements are **True** or **False**

STATEMENTS	**ANSWERS**
1.1.1 Capitalism is another word for a planned economy.	
1.1.2 South Africa has a mixed economy.	
1.1.3 Globalisation refers to the practice of limiting international trade through import duties.	
1.1.4 International trade is simply import and export between different countries.	
1.1.5 The economic problem of scarcity refers to limited needs and unlimited resources.	

[05]

1.2 **Read each statement and write the correct economic system:**

1.2.1 The government controls all businesses and decides what to produce.

____

1.2.2 Businesses are owned by individuals and prices are decided by supply and demand.

____

1.2.3 Both the government and private businesses work together in the economy.

____

1.2.4 People have little or on choice because the government makes decisions.

____

1.2.5 The government provides services like education and health, but businesses are also privately owned.

____

[05]

QUESTION 2 [CIRCULAR FLOW]

2.1 What is a closed economy?

____

____

____

(2)

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

____

____

____

____

(3)

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

____

____

____

____

____

____

(4)

2.4 List two things that households provide to businesses.

____

____

____

(2)

2.5 Who owns the factors of production? ______________________

(1)

2.6 What reward does labour receive? ______________________

(1)

2.7 Name two types of markets.

____

____

--- --

(2)

[15]

SECTION B [25 Marks]

QUESTION 3 [PRICE THEORY]

3.1 What is a Demand and a Supply. (01)

....

....

3.2 In the following flow charts there is an inverse relationship between price and the market forces.
Question: Label each of them and identify the Law of Demand and Law of Supply. (06

3.2.1

THE LAW OF: ....

Price ↑ **Quantity : demanded** ↓

When price is high, ...

Price ↓ **Quantity: demanded** ↑

When price is: .... demand is high

3.2.2 **THE LAW OF:..**

Price ↑ **Quantity : Suppl** ↑

When price is high, ...

Price ↓ **Quantity: demanded** ↓

When price is .... supply is low

3.3 Identify and three factors affecting change in quantity demanded (03)

3.3 The Equilibrium Price and Quantity

1. Define the term 'equilibrium price:

(02)

2. Explain why the demand and supply curves intersect at the equilibrium price.

(02)

3. Identify the price and quantity demanded and supplied at the Equilibrium point.

(01)

4. Use the schedule below to draw the demand and supply curve on one graph using the same axis. Label the graph properly and indicate the equilibrium point on the graph.

(01)
(06)

ICE – CREAMS		
PRICE (R)	**QUANTITY DEMANDED**	**QUANTITY SUPPLIED**
4	100	20
5	80	40
6	60	60
7	40	80
8	20	100

DEMAND AND SUPPLY CURVE

QUESTION 4 [SECTORS OF ECONOMY]

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

SECTOR:	EXPLAINATION:	ONE EXAMPLES:
4.1		
4.2		
4.3		

[09]

GRAND TOTAL [50]

Province of the
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O.R Tambo Coastal District

Economic and Management Sciences

Grade 9 June Exam 2026 Paper 2

THE ECONOMY & ENTREPRENUERSHIP

MEMORANDUM

Marks: 50

Time: 90 minutes

Instructions:

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

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

SECTION A [25 Marks]

QUESTION 1 [ECONOMIC SYSTEMS]

1.1 State whether the following statements are True or False.

STATEMENTS	ANSWERS
1.1.1 Capitalism is another word for a planned economy.	**False** – Capitalism is another word for a market. Communism refers to a planned economy. √
1.1.2 South Africa has a mixed economy.	**True.** √
1.1.3 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. √
1.1.4 International trade is simply import and export between different countries.	**True.** √
1.1.5 The economic problem of scarcity refers to limited needs and unlimited resources.	**False** – Scarcity refers to unlimited needs and limited resources. √

[05]

1.2

1.2.1 Planned economy. √

1.2.2 Market economy. √

1.2.3 Mixed economy. √

1.2.4 Planned economy. √

1.2.5 Mixed economy. √

[05]

QUESTION 2

2.1 What is a closed economy?

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

(2)

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

- Households. √
- Businesses. √
- Government. √

(3)

2.3 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)

2.4 List two things that households provide to businesses.

- Labour. √
- Capital or Entrepreneurship. √

(2)

2.5 Who owns the factors of production? **Households.** √

(1)

2.6 What reward does labour receive? **Wages/Salaries.** √

(1)

2.7 Name two types of markets.

- Factors market. √
- Good and service market. √

(2)

[15]

SECTION B [25 Marks]
QUESTION 3 [PRICE THEORY]

3.1 What is a Demand and a Supply.

Demand and Supply are the market forces. √ **(1)**

3.2 In the following flow charts there is an inverse relationship between price and the market forces.

Question: Label each of them and identify the Law of Demand and Law of Supply. (06

3.2.1 THE LAW OF: DEMAND √

Price ↑ **Quantity : demanded** ↓

When price is high, demand is low √

Price ↓ **Quantity: demanded** ↑

When price is low √ demand is high **(3)**

3.2.2 **THE LAW OF: SUPPLY √**

Price ↑ **Quantity : Suppl** ↑

When price is high, Supply is high √

Price ↓ **Quantity: demanded** ↓

When price is low √ supply is low **(3)**

3.3 Identify any three factors affecting change in quantity demanded **(03)**

- The price of the product. √ I
- The amount of money consumer's have. √
- Advertising. √
- The price of other products (complimentary or substitute products).
- Weather conditions.
- Fashion trends.
- Changes in the tastes and habits or preferences of consumers
- Future price expectation

3.4 The Equilibrium Price and Quantity

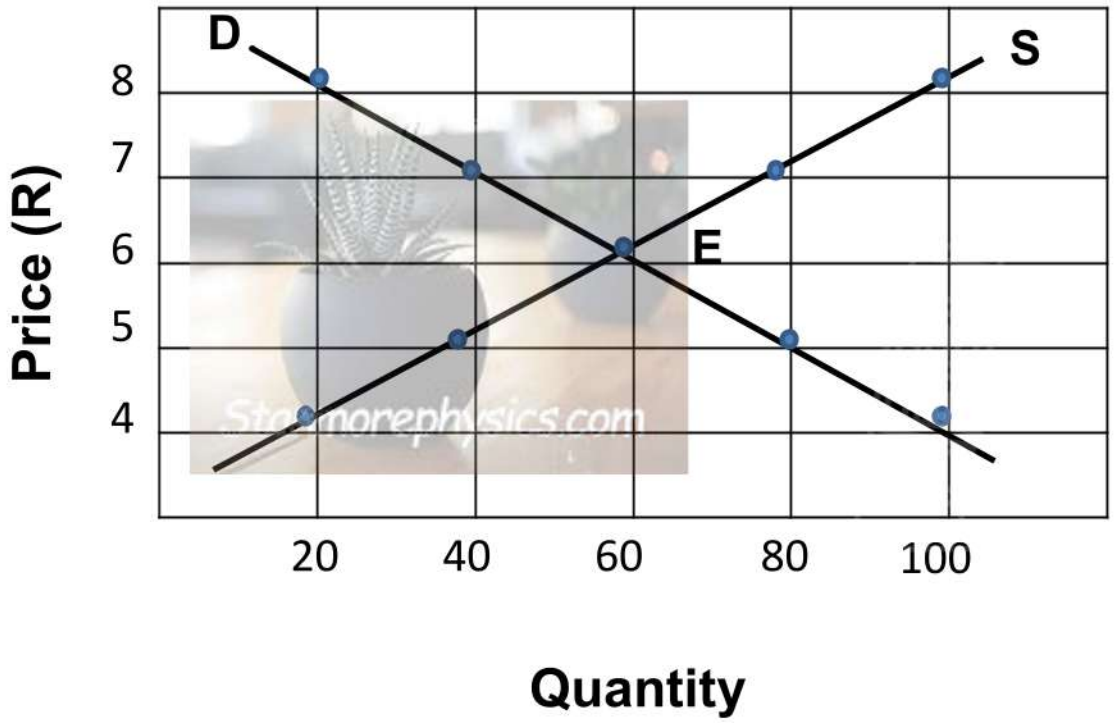
3.4.1 Define the term 'equilibrium price'.
3.4.2 Explain why the demand and supply curves intersect at the equilibrium price.
3.4.3 Identify the price and quantity demanded and supplied at the Equilibrium point.
3.4.4 Use the schedule below to draw the demand and supply curve on one graph using the same axis. Label the graph properly and indicate the equilibrium point on the graph

ICE – CREAMS		
PRICE (R)	**QUANTITY DEMANDED**	**QUANTITY SUPPLIED**
4	**100**	**20**
5	**80**	**40**
6	**60**	**60**
7	**40**	**80**
8	**20**	**100**

POSSIBLE ANSWERS

3.4.1 Equilibrium price is the price at which the quantity demanded is equal to the quantity that the supplier is willing to supply. √
3.4.2 Demand and supply curve intersect because they have a different effect on price. And when they intersect then demand = supply. √
Demand has an inverse relationship P↑ D↓ and when P↓ D ↑√ and Supply has a direct relationship to price when P↑ S↑ and when P↓ S ↓√
3.4.3 **P** = R 6, 00√
3.4.4 **Q** = 60√ **(06)**

DEMAND AND SUPPLY CURVE



QUESTION 4 [SECTORS OF ECONOMY]

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

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

[09]

[GRAND TOTAL = 50]