



Education and Sport Development

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NORTH WEST PROVINCE

PROVINCIAL ASSESSMENT

ECONOMICS P1 GRADE 10 JUNE EXAMINATION- 2018

MARKS: 100

TIME : 1½ hours

This question paper consists of 8 pages.



NW/JUNE/ECOM/ EMIS/6*****

INSTRUCTIONS AND INFORMATION

1. Answer FOUR questions as follows in the ANSWER BOOK

SECTION A: COMPULSORY

SECTION B: Answer ONE of the two questions

SECTION C: Answer ONE of the two questions

2. Answer only the required number of questions. Answers in excess of the required number will not be marked.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Write the question number above the answer.
5. Read the questions carefully.
6. Start EACH question on a NEW page.
7. Leave 2 – 3 lines between subsections of questions.
8. Answer the questions in full sentences and ensure that the format, content and context of your responses comply with the cognitive requirements of the questions.
9. Use only black or blue ink.
10. You may use a non-programmable pocket calculator.
11. Write neatly and legibly



SECTION A (COMPULSORY)**QUESTION 1****20 MARKS – 20 MINUTES**

1.1 Various options are provided as possible answers to the following questions. Choose the most correct answer and only write (A,B or C) next to the corresponding question number (1,1, 1-1.1.5) in the answer book, for example 1.1.6 C

1.1.1 Which subject would you study if you wanted to solve the problem of scarcity and unemployment?

- A. Economics
- B. Commercial law
- C. Accounting
- D. Financial mathematics

1.1.2 Man-made goods used in the production process are referred to as...

- A. non-durable goods
- B. consumer goods
- C. capital goods
- D. manufacturing goods

1.1.3 The nominal value of something is ...

- A. Its value adjusted for inflation
- B. Its lowest value
- C. Its monetary value
- D. Its real value

1.1.4 During the recessionary phase of the business cycle ,there is ...

- A. no change in economic growth
- B. negative economic growth
- C. positive economic growth
- D. a decrease in unemployment

1.1.5 A closed economy

- A. Has no government sector
- B. Has no foreign sector
- C. Has no taxes
- D. Only consists of firms and households

(5x2) (10)



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

COLUMN A	COLUMN B
1.2.1 Macroeconomics	A. The enterprises that are owned and controlled by the government.
1.2.2 Normative statement	B. The application of statistical methods in Economics.
1.2.3 Public sector	C. It deals with large decisions that impact on the total economy as a whole.
1.2.4 Econometrics	D. Statistical measure of change.
1.2.5 Economic growth	E. A decrease in the amount of goods and services produced by a country over a certain period of time.
	F. Describes how something should be (on what ought to be)
	G. An increase in the amount of goods and services produced by a country over a certain period of time.

(5x1) (5)

- 1.3 Give ONE term for each of the following descriptions. Write only the term next to the question number (1.3.1 – 1.3.5) in the ANSWER BOOK.

- 1.3.1 A study of the economic behaviour of individual consumers and producers, the factors that influence their choices and how prices are determined.
- 1.3.2 Making of goods and services that consumers use to satisfy their unlimited needs and wants.
- 1.3.3 The lower turning point in the business cycle.
- 1.3.4 Average value of products produced per person in a country.
- 1.3.5 Flow of goods and services, and money, in opposite directions between consumers, enterprises, the public sector and the foreign sector.

(5x1) (5)

TOTAL SECTION A: 20



SECTION B

Answer any ONE of the two questions in the section in the answer book

QUESTION 2**40 MARKS – 30 MINUTES**

2.1 Answer the following questions

2.1.1 Name any TWO elements of Economics. (2x1)(2)

2.1.2 Why is economics related to other sciences? (1x2)(2)

2.2 Study the table below and answer the questions that follow:

ESTIMATED VALUES FOR CERTAIN COMPONENTS OF NATION OF WINGDALE'S ECONOMY IN 2016	
Savings	100
Investments	120
Tax revenue	210
Government expenditure	225
Total imports	190
Total exports	175

Source: www.goggle.com

2.2.1 Name the any TWO examples of injections from the table above. (2x1)(2)

2.2.2 Why are leakages and injections not always equal? (1x2)(2)

2.2.3 Calculate Wingdale's total leakages for 2016 using the information given in the table above. (4)

2.2.4 What equation would you use to work out the total injections from an economy? (2)

2.3 Study the extract below and answer the questions that follow:

Scarcity

Scarcity, or limited resources, is one of the most basic economic problems we face. We run into scarcity because while resources are limited, we are a society with unlimited wants. Therefore, we have to choose. We have to make trade-offs. We have to efficiently allocate resources.

We have to do those things because resources are limited and cannot meet our own unlimited demands. Without scarcity, the science of economics would not exist. Economics is the study of production, distribution, and consumption of goods and services.

Society would produce, distribute, and consume an infinite amount of everything to satisfy the unlimited wants and needs of humans. The decisions and trade-offs society makes due to scarcity is what economists study. Why certain decisions made and what is the next best alternative that was forgone?

Source : www.google.com



- 2.3.1 According to the extract above, what are the solutions to the economic problem? (2x1)(2)
- 2.3.2 Which processes are involved in the study of economics? (2x1) (2)
- 2.3.3 Briefly describe the concept *opportunity cost*. (2x1) (2)
- 2.3.4 How does *absolute* scarcity differ from relative scarcity? (2x2) (4)
- 2.4 Distinguish between leakages and injections. (2 x 4) (8)
- 2.5 How does gross domestic product relate to economic growth? (8)
- (40)**

QUESTION 3**40 MARKS – 30 MINUTES**

3.1. Answer the following questions.

3.1.1. List the TWO methods used to calculate GDP. (2x1) (2)

3.1.2 How can consumption cause environmental pollution? (1x 2) (2)

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

Items	Amount (R million)
Government spending (G)	R25m
Investment (I)	R240m
Exports (X)	R56m
Consumption by households (C)	R10m
Imports (Z/M)	R10m
GDP @ market price	A

Source: SARB Quarterly Bulletin 2016

- 3.2.1 What is the source for the table above? (1)
- 3.2.2 Which aggregate component is the highest? (1)
- 3.2.3 Explain the importance of GDP aggregates. (4)
- 3.2.4 Determine the value for A. Show all your calculations. (4)

3.3 Study the following extract and answer questions that follow:

HUMAN RIGHTS AND THE ECONOMY

With the adoption of our Constitution, South Africans gained many rights that had previously been withheld from them. These rights are enshrined in our Bill of Rights and our Constitution; they affect us and the economy every day. Growth in the economy means that the lives of South Africans will improve. Increased industry leads to increased pollution –factories pollute the air, rivers, soil and use up many of the earth's natural resources such as coal, oil, wood and water .

www.goggle.com



- 3.3.1 Identify a factor that leads to an improvement in the lives of South African people. (1)
- 3.3.2 Name a document that sets out the rights of the South Africans. (1)
- 3.3.3 Briefly describe the concept *pollution*. (2)
- 3.3.4 What does this statement "South Africans gained many rights that had previously been withheld from them" mean? (2)
- 3.3.5 Differentiate between the right to basic education and the right to basic standard of living. (4)
- 3.4 Suggest FOUR possible solutions to reduce environmental problems. (4x2)(8)
- 3.5 How can human rights be violated in an industrialised economy? (8)

[40]**TOTAL SECTION B: 40**

