



Education and Sport Development

Department of Education and Sport Development
Departement van Onderwys en Sport Ontwikkeling
Lefapha la Thuto le Tihabololo ya Metshameko

NORTH WEST PROVINCE

PROVINCIAL ASSESSMENT

ECONOMICS P1

GRADE 10

MARKS: 100

TIME : 1:30 mins

The Question Paper consist of 9 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 any ONE of the two questions.

SECTION C: Answer ONE of the two questions.

2. Number the answers correctly according to the numbering system used in this question paper.
3. Write the number of the question above each answer.
4. Read the questions carefully and start each question on a NEW page.
5. Leave 2 – 3 lines between subsections of questions.
6. 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.
7. Answer only the required number of questions. Answers in excess of the required number will NOT be marked.
8. Use only black or blue ink.
9. Non-programmable pocket calculators may be used.
10. Write neatly and legibly.



SECTION A (COMPULSORY) QUESTION 1 20 MARKS

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

1.1.1 Normative economics...

- A depends on opinions
- B depends on facts
- C depends on research
- D depends on questions

1.1.2 Absolute scarcity prevails because...

- A there are not enough resources to produce all the goods and services.
- B people are too poor to afford the goods and services.
- C free goods do not have exchange value.
- D resources are enough to produce all the goods and services.

1.1.3 The basic problem faced by all nations is...

- A Consumption
- B Distribution
- C Scarcity
- D Production

1.1.4 Which ONE of the following is NOT one of the four participants in the circular flow model?

- A Household
- B Injections
- C State
- D Business sector

1.1.5 Which period of the business cycle is associated with rising profits and consumption?

- A Trough
- B Downswing
- C Prosperity
- D Peak

(2x5) (10)



1.2 Choose a description in Column B that matches with an 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 Equitability | A. The owners of factors of production |
| 1.2.2 Secondary sector | B. The sector that manufactures and processes raw materials so that they are in a form fit for human consumption. |
| 1.2.3 Household | C. Ensures that the benefits of society`s resources are distributed fairly among society members. |
| 1.2.4. Boom | D. The economic indicator that moves the same way that the economy does. |
| 1.2.5 Coincident indicator | E. The period of very high economic activity just before the economy slows down. |
| | F. The sector that render services to make the product available to consumers. |

(5x1)(5)

1.3 Give one term for 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 The study of application of statistical methods in Economics.

1.3.2 The right that every living person should have

1.3.3 The type of economy where the foreign sector is excluded.

1.3.4 A country`s record of transaction with the rest of the world

1.3.5 Unpredictable fluctuation that may occur at any time.

(1x5) (5)

TOTAL SECTION A: 20



SECTION B

Answer only ONE of the two questions in this section ANSWER BOOK

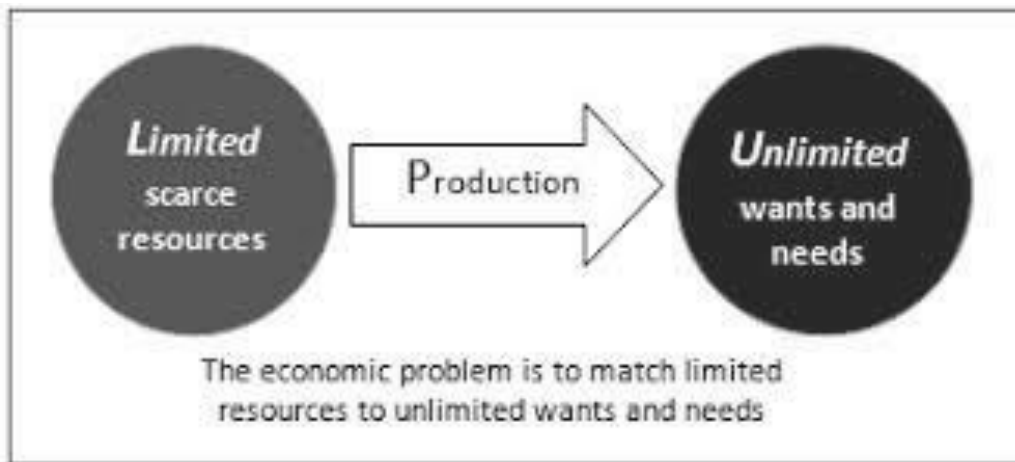
QUESTION 2**40 MARKS**

2.1 Answer the following questions:

2.1.1 Name ANY TWO fields of study that are related to Economics. (2x1)(2)

2.1.2 What is the relationship between scarcity and opportunity cost? (1x2) (2)

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



2.2.1 Which element of economics is depicted by the diagram above? (1)

2.2.2 Name the economic system where the authorities decide on the production and distribution of the products. (1)

2.2.3 Briefly explain *Economic efficiency*. (2)

2.2.4 Why is it easier to test the prediction of a theory in the natural sciences than in the social sciences? (2)

2.2.5 If you were appointed to conduct a research using scientific method what steps would you follow? Mention only TWO (2x2) (4)

2.3 Study the table below and answer the questions that follow

| Spending component | Rand (billions) |
|--|------------------------|
| Consumption spending (C) | 1473 |
| Government spending (G) | 505 |
| Investment (I) | 468 |
| Exports (X) | 657 |
| Less Imports (Z/M) | (678) |
| GDP @ market price | 2425 |
| Factor income earned abroad by South Africans | 34 |
| Factor income earned in South Africans by foreigners | (87) |
| Gross National Income | A |

Source: SARB Quarterly Bulletin 2013

- 2.3.1 Which method was used to calculate GDP in the above table? (1)
- 2.3.2 Name any other ONE method used to calculate the GDP. (1)
- 2.3.3 Briefly describe the term *factor income*. (2)
- 2.3.4 Why it is important that the government and other South Africans buy local products? (2)
- 2.3.5 Use the figures in the table above to calculate the value of **A**.
Show all calculations. (4)
- 2.4 Briefly outline the career opportunities that are available to someone who studies economics. (8)
- 2.5 Analyse leakages and injections of the circular flow with relevant examples. (8)

[40]

QUESTION 3

3.1 Answer the following questions:

3.1.1 Name TWO types of scarcity.

(Any 2x1) (2)

3.1.2 Explain the term exogenous factors

(1x2) (2)

3.2 Study the following graph and answer the questions that follow:



[Source: www.google.com]

3.2.1 Which factor of production is depicted by the cartoon above?

(1)

3.2.2 Name the economic industry depicted by the above scenario.

(1)

3.2.3 Briefly describe the term *relative scarcity*.

(2)

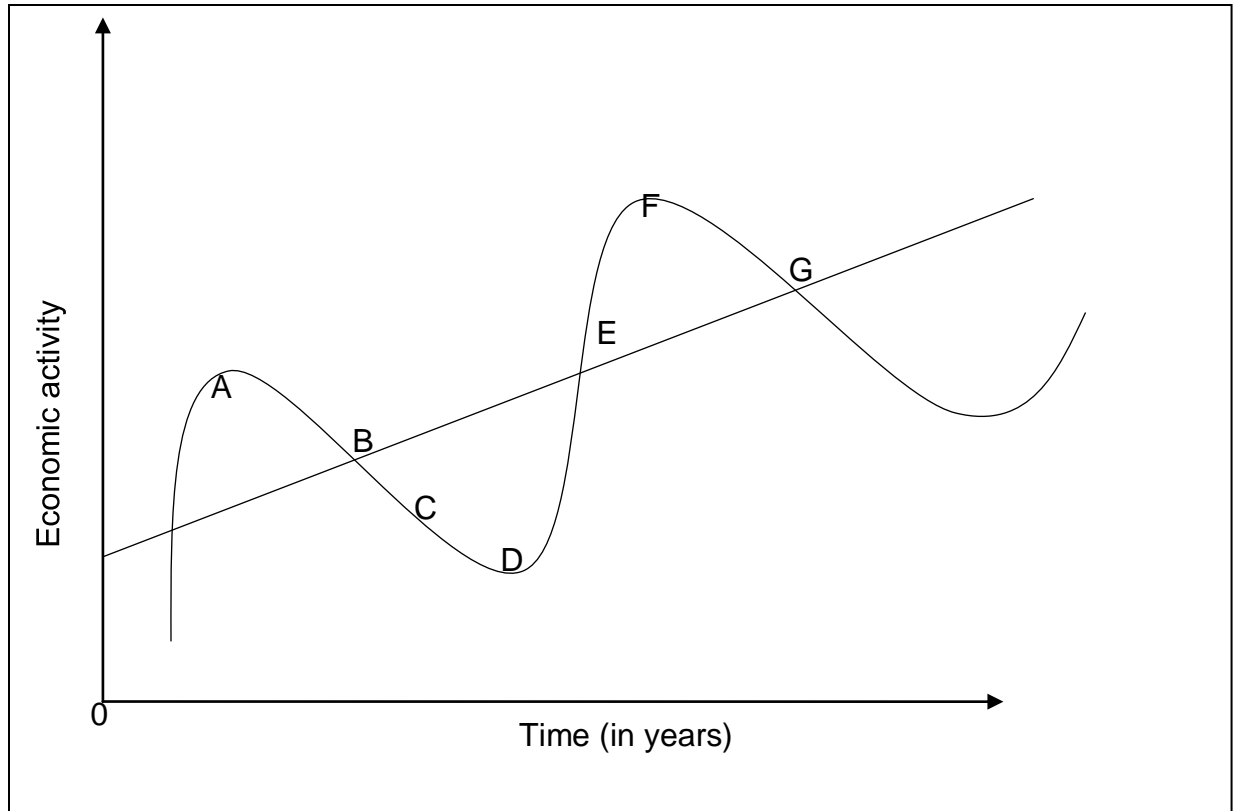
3.2.4 What can the government do to solve the water crisis?

(2)

3.2.5 How does the situation above have an effect on the economy?

(4)





- 3.3.1 What is the name of the graph above? (1)
- 3.3.2 Which point on the graph may be associated with the lowest GDP? (1)
- 3.3.3 Briefly describe the term *economic growth*. (1)
- 3.3.4 Briefly explain the effect of business cycles on economic growth. (1)
- 3.3.5 How can government reduce unemployment in an economy? (2x2) (4)
- 3.4 List and explain any TWO categories of consumer goods, provide examples. (8)
- 3.5 With the aid of examples, explain the difference between leading and lagging business cycle indicator. (8)

[40]

TOTAL SECTION B: 40

SECTION C

Answer only **ONE** question from this section.

| STRUCTURE OF ESSAY: | MARK ALLOCATION: |
|--|-------------------------|
| Introduction | Max. 2 |
| Body: | Max. 26 |
| <ul style="list-style-type: none"> • Main part: Discuss/Distinguish/Differentiate/Explain/Analyse /Evaluate/Assess □ Additional part: • Use/Draw/Sketch a graph/diagram .../ Deduce .../Outline/Briefly explain/Expand on .../Your own opinion | Max. 10 |
| Conclusion | Max. 2 |
| TOTAL | 40 |

QUESTION 4 [Basic problems]

- Discuss exchange as one of the stages of the basic economic processes. (26)
 - Briefly explain how all aspects of basic problem of choice may be resolved. (10)
- [40]**

QUESTION 5 [Circular flow and quantitative elements]

- Discuss the role of the four participants in an open economy. (26)
 - Is it important to have foreign sector in the South African economy?
Motivate your answer. (10)
- [40]**

TOTAL SECTION C: 40

GRAND TOTAL: 100

