GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL EXAMINATION

NOVEMBER 2023

GRADE 11

ECONOMICS

PAPER 2

TIME: 2 hours

MARKS: 150

12 pages

EXEMPLAR

INSTRUCTIONS AND INFORMATION

1. Answer FOUR questions as follows in the ANSWER BOOK:

   SECTION A: COMPULSORY
   SECTION B: Answer TWO of three 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 each answer.

5. Read the questions carefully.

6. Start EACH question on a NEW page.

7. Leave 1 – 2 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 calculator.

11. Write neatly and legibly.

EXEMPLAR

SECTION A (COMPULSORY)

QUESTION 1 **30 MARKS – 20 MINUTES**

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 1.1.8) in the ANSWER BOOK, e.g. 1.1.9 D.

1.1.1 Which of the following is a potential disadvantage of a monopoly for society as a whole?

A Increased efficiency
B Less innovation
C Product variety
D Lower prices

1.1.2 The difference between total cost and variable cost is … cost.

A marginal
B average
C fixed
D unit

1.1.3 Economies of scale occur when …

A the cost per unit decreases and the output increases.
B the cost per unit increases and the output decreases.
C the cost per unit and the output decreases.
D the cost per unit and the output increases.

1.1.4 When the supply of a good decreases, equilibrium price stays the same. What is the price elasticity of demand of the good?

A –1
B Zero
C +1
D Infinite

1.1.5 What is present in a customs union but not in a free trade area?

A A common external tariff with the rest of the world.
B A common monetary system.
C A common system of taxation.
D The free movement of all goods, services, and factors of production.

1.1.6 FDI moves physical … between countries

A goods
B resources
C technology
D capital

EXEMPLAR

1.1.7 Global warming is the result of the emission of … gases into the atmosphere.

A natural
B hydrogen
C greenhouse
D oxygenated

1.1.8 The term green economy refers to …

A an economy that is green.
B environmentally friendly production activities.
C pollutants released by factories.
D inflation.

(8 x 2) (16)

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 numbers (1.2.1 to 1.2.8) in the ANSWER BOOK, for example 1.2.9 J.

COLUMN A	COLUMN B
1.2.1 Accounting profit	A Demand increases when income increases
1.2.2 Cartel	B The variety of plant and animal life in a specific area
1.2.3 Long run	C Firms that produce goods and services in several countries
1.2.4 Normal goods	D Usually, they operate in an oligopoly market structure
1.2.5 Multinational enterprises	E International agreements aimed at reducing greenhouse gases
1.2.6 Portfolio investments	F Long enough for all factor inputs to be varied
1.2.7 Kyoto protocol	G The difference between a firm's total income and explicit costs
1.2.8 Biodiversity	H Purchasing financial assets that can easily be converted into cash
	I Incurred by consumers when they buy goods

(8 x 1) (8)

EXEMPLAR

1.3 Give ONE term for each of the following descriptions. Write only the term next to the question numbers (1.3.1 to 1.3.6) in the ANSWER BOOK. Abbreviations, acronyms and examples will NOT be accepted.

1.3.1 Prices that are expressed as a comparison with other prices

1.3.2 Total revenue divided by the quantity sold

1.3.3 A change in price will cause a greater percentage change in quantity supplied

1.3.4 The opportunity cost of producing a good or service is lower than the other country's opportunity cost

1.3.5 The provision of finance by government to support local businesses

1.3.6 The collection and often reprocessing of discarded materials for reuse

(6 x 1) (6)

TOTAL SECTION A: 30

EXEMPLAR

SECTION B

Answer any TWO of the three questions in this section in the ANSWER BOOK.

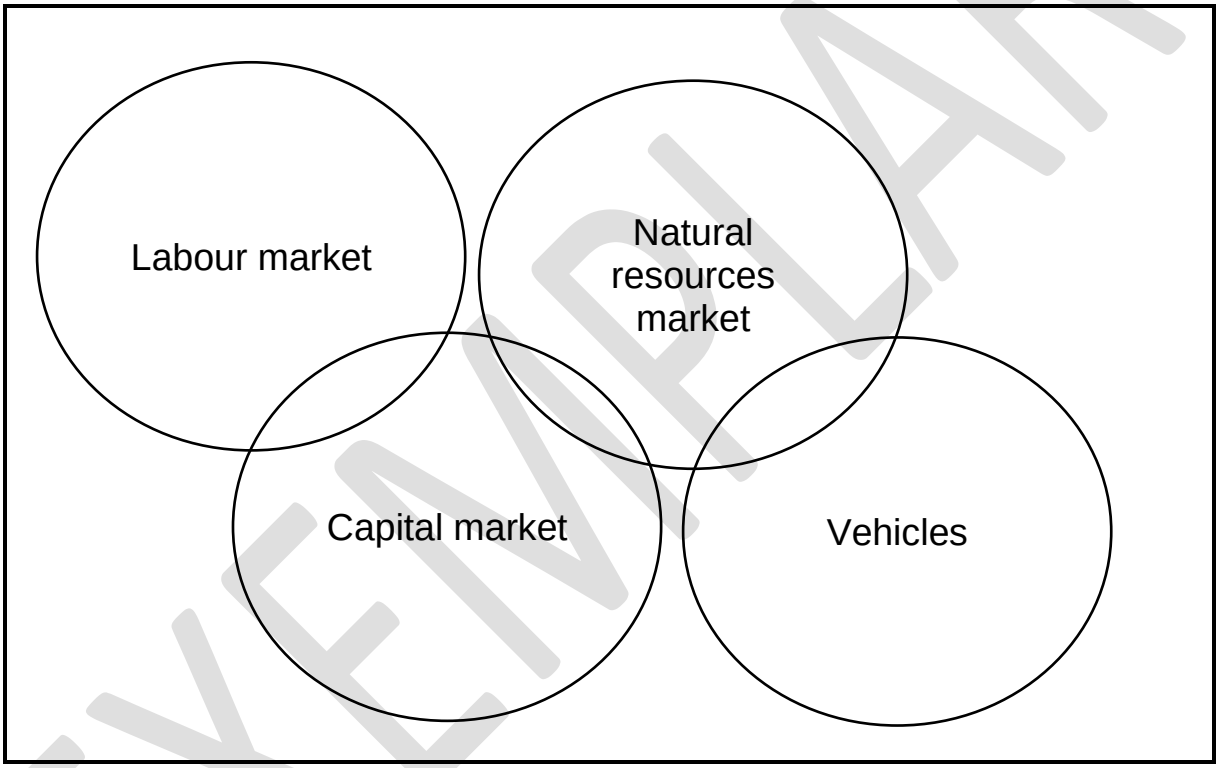
QUESTION 2: MICROECONOMICS **40 MARKS – 30 MINUTES**

2.1 Answer the following questions.

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

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

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



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

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

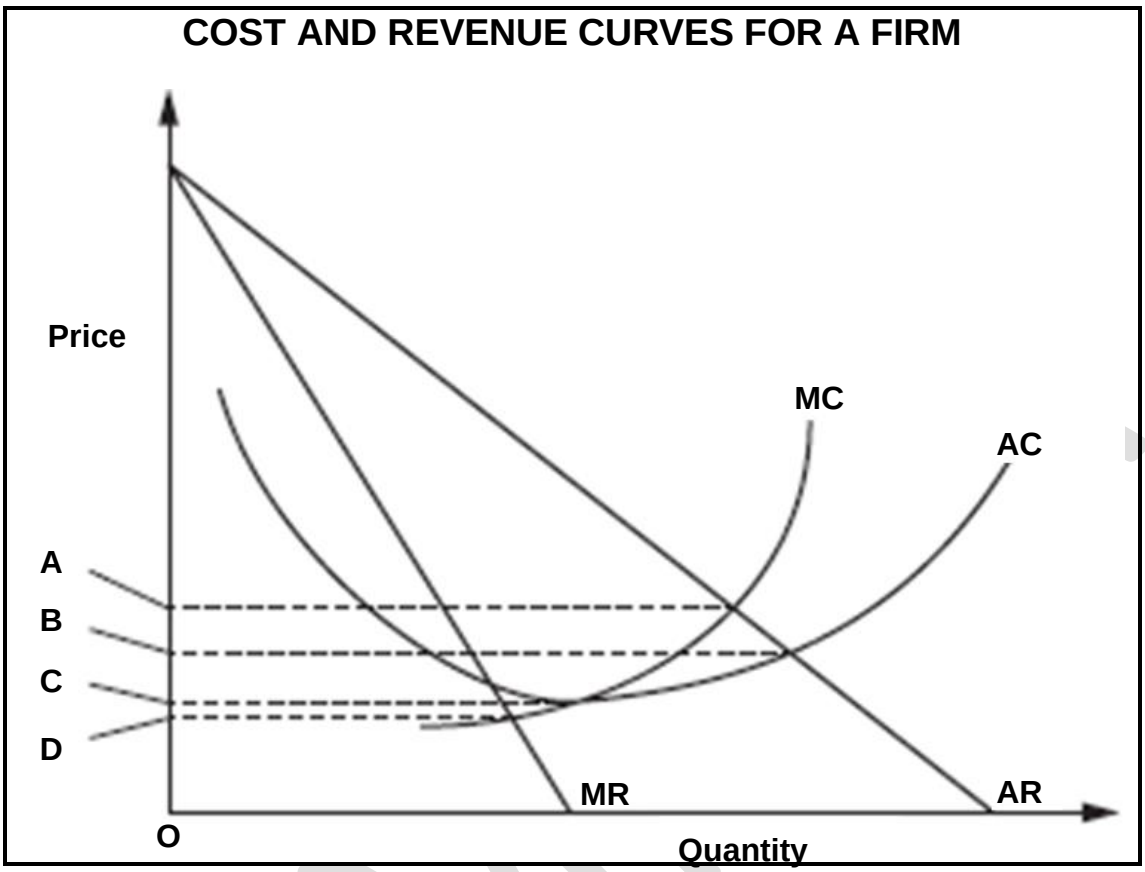
2.2.3 Briefly describe the term *market*. (2)

2.2.4 Explain the positive impact of competition on the markets. (2)

2.2.5 How do natural disasters impact the supply of factors of production in the market? (2 x 2) (4)

EXEMPLAR

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



2.3.1 In the graph above, at which price does allocative efficiency occur? (1)

2.3.2 Which letter indicates the profit maximisation of the firm above? (1)

2.3.3 Briefly describe the term *imperfect market*. (2)

2.3.4 What is likely to happen to the demand for this firm's output in the long run? (2)

2.3.5 Explain the pattern of the MC curve. (2 x 2) (4)

2.4 Briefly discuss the SMART principle in designing the objectives of businesses. (4 x 2) (8)

2.5 How will a firm's objective in an oligopolistic market differ from the objective of a firm in a perfectly competitive market? (8)

[40]

EXEMPLAR

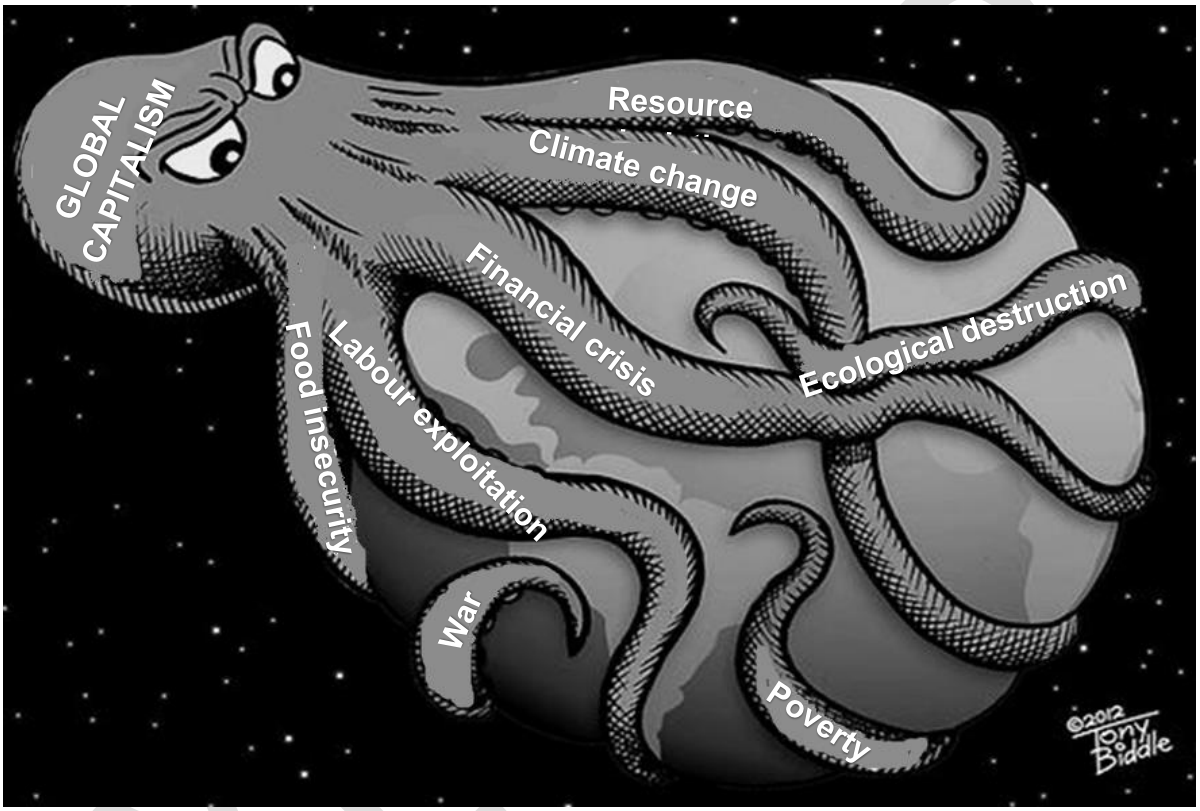
QUESTION 3: CONTEMPORARY ECONOMIC ISSUES 40 MARKS – 30 MINUTES

3.1 Answer the following questions.

3.1.1 Name any TWO modes of transport involved globally. (2 x 1) (2)

3.1.2 How can the government successfully use command and control measures to ensure environmental sustainability? (1 x 2) (2)

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



[Source: googleimages]

3.2.1 Identify ONE consequence of globalisation from the information above. (1)

3.2.2 Which global-institution assists countries in financial crisis? (1)

3.2.3 Briefly describe the term *globalisation* (2)

3.2.4 What are the effects of globalisation on developing countries? (2)

3.2.5 Explain the effects of economic integration within the globe. (2 x 2) (4)

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



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

3.3.1 Identify the brown environmental issue illustrated above. (1)

3.3.2 Which areas are often highly polluted in a country? (1)

3.3.3 Briefly describe the term *environmental sustainability*. (2)

3.3.4 Explain environmental taxes as a means to sustain the environment. (2)

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

3.4 Explain the main objectives of the Millennium Development Goals (MDGs). (4 x 2) (8)

3.5 How can floods negatively affect the economy? (8)

[40]

EXEMPLAR

QUESTION 4: MICROECONOMICS AND CONTEMPORARY ECONOMIC ISSUES
40 MARKS – 30 MINUTES

4.1 Answer the following questions.

4.1.1 Name any TWO barriers to entry in a monopoly market. (2 x 1) (2)

4.1.2 How will the removal of South Africa from the free trade zone impact the country's economy? (1 x 2) (2)

4.2 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/]

4.2.1 Identify the constraint faced by businesses in the extract above (1)

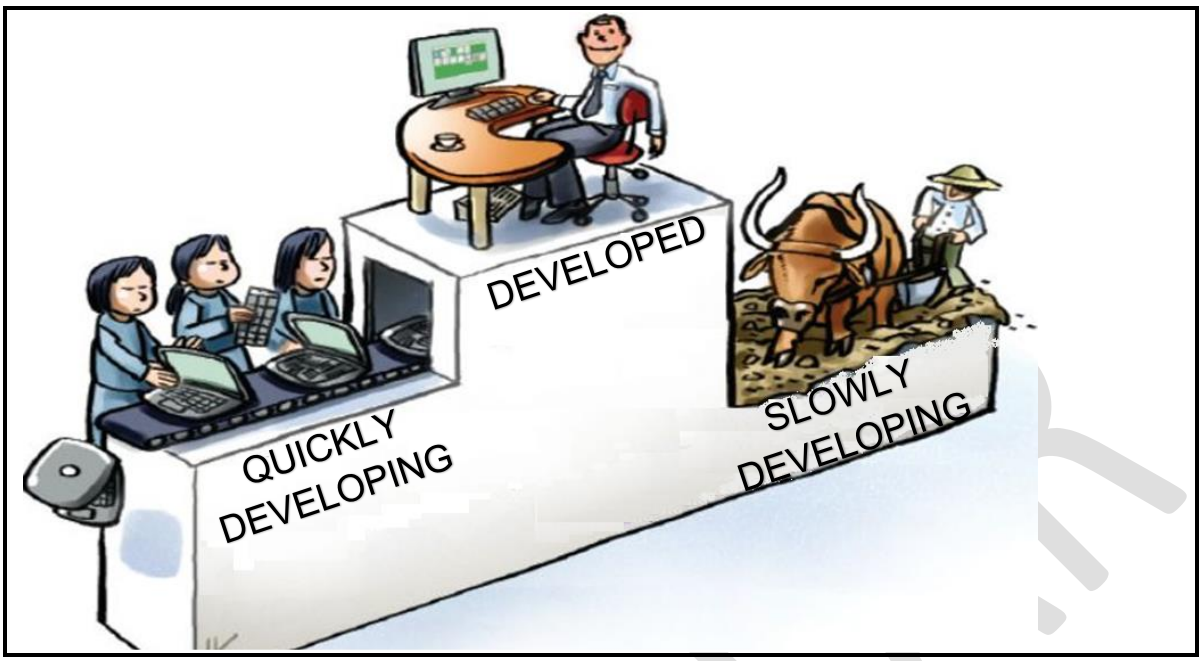
4.2.2 Name any ONE example of explicit costs incurred by businesses. (1)

4.2.3 Briefly describe the term *revenue*. (2)

4.2.4 What should the business look at when deciding on a level of output? (2)

4.2.5 Analyse the role of profit in a business. (2 x 2) (4)

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



[Source: googleimages]

4.3.1 Identify the type of economy in which the primary sector will contribute the most to GDP. (1)

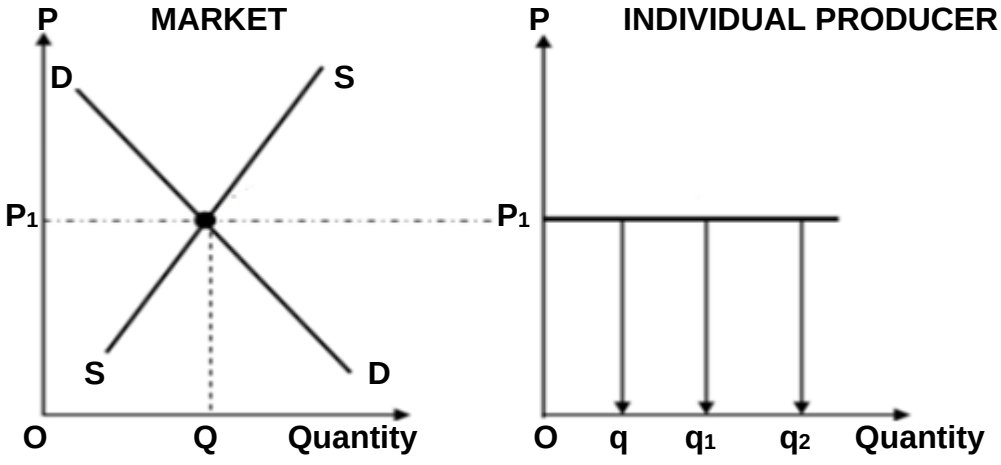
4.3.2 Name any ONE fast developing country in Africa. (1)

4.3.3 Briefly describe the term *North/South divide*. (2)

4.3.4 How does access to safe drinking water influence life expectancy? (2)

4.3.5 Compare the characteristics of rich (North) and poor (South) countries. (2 x 2) (4)

4.4 Briefly explain, using the graphs below, how prices are determined for an individual producer in a perfect market. (4 x 2) (8)



4. 5 What are the advantages of promoting globalisation? (8)

[40]

TOTAL SECTION B: 80

P.T.O.

SECTION C

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

Your answer will be assessed as follows:

STRUCTURE OF ESSAY	MARK ALLOCATION
Introduction The introduction is a lower-order response. • A good starting point would be to define the main concept related to the question topic. • Do not include any part of the question in your introduction. • Do not repeat any part of the introduction in the body. Avoid mentioning in the introduction what you are going to discuss in the body.	Max. 2
Body **Main part:** Discuss in detail/In-depth discussion/Examine/Critically discuss/ Analyse/Compare/Evaluate/Distinguish/Differentiate/Explain/Draw a graph and explain/Use the graph given and explain/Complete the given graph/Assess/Debate **A maximum of 8 marks may be allocated for headings/examples.** **Additional part:** Critically discuss/Evaluate/Critically evaluate/Debate/Deduce/ Compare/Distinguish/Interpret/How?/Suggest **A maximum of 2 marks may be allocated for mere listing of facts.**	Max. 26 Max. 10
Conclusion Any higher-order conclusion should include: • A brief summary of what has been discussed without repeating facts already mentioned • Any opinion or value judgement on the facts discussed • Additional support information to strengthen the discussion/analysis • A contradictory viewpoint with motivation, if required • Recommendations	Max. 2
TOTAL	**40**

QUESTION 5: MICROECONOMICS 40 MARKS – 40 MINUTES

- Discuss, in detail, the price elasticity of demand (PED) without the aid of graphs. (26 marks)
- How can government increase the price elasticity of supply of essential goods? (10 marks) **[40]**

QUESTION 6: CONTEMPORARY ECONOMIC ISSUES 40 MARKS – 40 MINUTES

- Examine, in detail, the problems threatening the environment. (26 marks)
- Evaluate the implementation of the goals of the World Summit on Sustainable Development in South Africa. (10 marks) **[40]**

TOTAL SECTION C: 40

TOTAL: 150

END

EXEMPLAR