GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL EXAMINATION

NOVEMBER 2023

GRADE 11

ECONOMICS

PAPER 1

TIME: 2 hours

MARKS: 150

13 pages

EXEMPLAR

INSTRUCTIONS AND INFORMATION

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

   SECTION A: COMPULSORY
   SECTION B: Answer any TWO of the three questions.
   SECTION C: Answer only 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.

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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 Goods that are used to produce other final goods are called ... goods.

A consumer
B intermediary
C free
D capital

1.1.2 The ... measures the economic growth in percentage from one period to another.

A real economic growth rate
B economic growth rate
C nominal growth rate
D constant economic growth rate

1.1.3 Homeowners can sell their houses if they wish to, is an example of a …

A centrally planned economy.
B mixed economy.
C market economy.
D managed economy.

1.1.4 Factory buildings are examples of … capital.

A floating
B working
C fixed
D real

1.1.5 ... is an economic development endeavour in South Africa which focused on privatisation and the removal of exchange controls.

A GEAR
B RDP
C NSDS
D NGP

1.1.6 The main source of the government's income is:

A Profits from parastatals
B Taxation from citizens
C Loans from other countries
D Sales from government's assets

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1.1.7 … is the process or business of producing goods in large numbers in factories.

A Manufacturing
B Construction
C Agriculture
D Wholesale and trade

1.1.8 Which of the following CANNOT be done at an ATM?

A Payment to beneficiaries
B Inter-account transfers
C Cash withdrawals
D Coin deposits (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 Natural resource	A the chance that a company will lose money on international trade because of currency fluctuations
1.2.2 Gross capital formation	
1.2.3 Consumption	B this factor of production is not created primarily by human endeavour and can often not be increased at will
1.2.4 Energy	
1.2.5 Foreign exchange risk	C promotes sustainable and equitable economic growth and economic development in Southern Africa
1.2.6 SADC	
1.2.7 Human resource development	D the accumulation of skills and knowledge of the labour force
1.2.8 Population size	E consists of outlays on additions to the fixed assets of the economy plus net changes in the level of inventories
	F mostly generated via the burning of coal in South Africa
	G collection of money from citizens to pay for public services
	H the use of goods and services to satisfy needs
	I the number of people present in a geographic area

(8 x 1) (8)

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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 The means by which societies or governments organise and distribute available resources, services and goods across a geographic region or country

1.3.2 Goods that have an expected lifespan of more than one year

1.3.3 Organises or employs natural resources, capital and labour into a profitable business to produce useful goods and services

1.3.4 Used to determine the average per person income in an area/geographic region/nation

1.3.5 Includes practices that a local community develops over generations of living in a particular environment

1.3.6 Returning land to people from whom it was forcibly taken (6 x 1) (6)

TOTAL SECTION A: 30

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SECTION B

Answer any TWO questions from this section in the ANSWER BOOK.

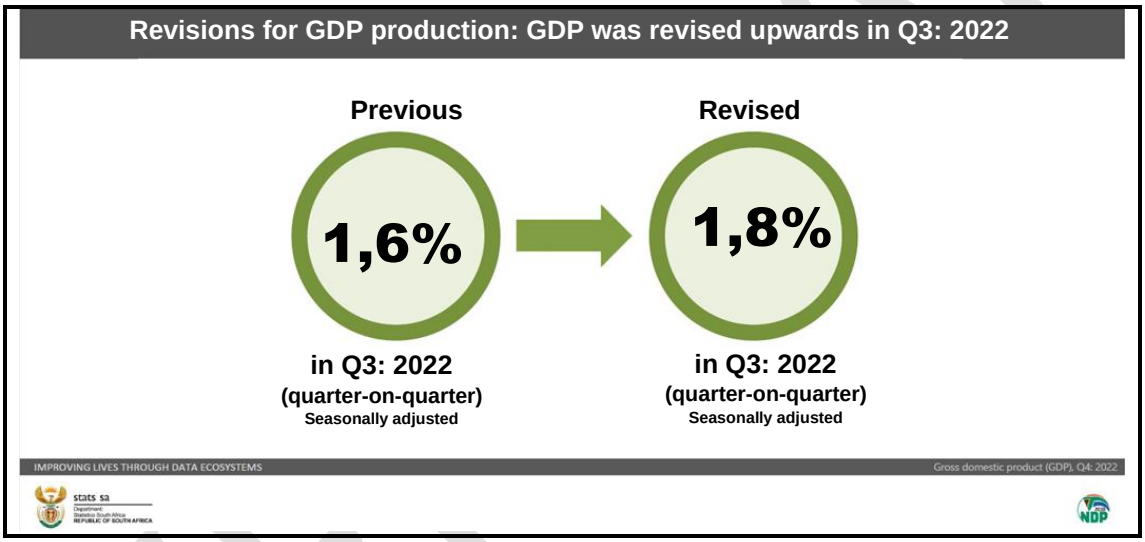
QUESTION 2: MACROECONOMICS **40 MARKS – 30 MINUTES**

2.1 Answer the following questions.

2.1.1 Name TWO classifications of capital. (2 x 1) (2)

2.1.2 Why do people with scarce skills receive higher wages? (1 x 2) (2)

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



[Source : https://www.statssa.gov.za]

2.2.1 Which method of GDP determines production at basic price? (1)

2.2.2 Which other institution besides Statistics SA publishes statistics in SA? (1)

2.2.3 Briefly describe the term *Gross Domestic Product* (2)

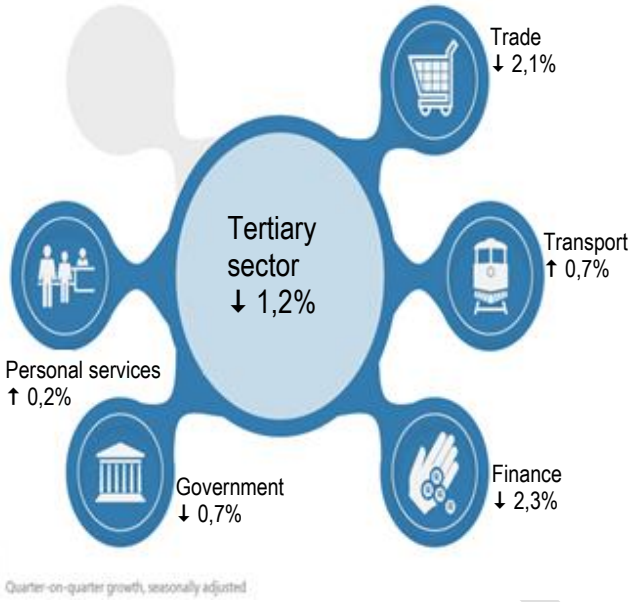
2.2.4 How can economic growth be increased in South Africa? (2)

2.2.5 Why do countries revise their national accounts? (2 x 2) (4)

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2.3 Study the information below and answer the questions that follow

Transport and personal services were the bright spots in the tertiary sector in Q4: 2022



Trade: Decreased economic activity was recorded in wholesale trade.

Transport: Land transport, air transport and communictionn services helped bolster growth.

Finances: Production was dragged lower by financial intermediation, insurance and pension funding and auxiliary activities.

Government: There was a decline in employment numbers in the civil service.

Personal services: Increased economic activity was reported for community services.

[Source: https://www.statssa.gov.za]

2.3.1 Identify ONE type of transport in the information above. (1)

2.3.2 In which sector are commercial services found? (1)

2.3.3 Briefly describe the term *genetic operations*. (2)

2.3.4 What could lead to an increase in the percentage contribution of government services in the tertiary sector? (2)

2.3.5 How does the primary sector contribute towards the economy? (2 x 2) (4)

2.4 Differentiate between *renewable* and *non-renewable* resources. (4 x 2) (8)

2.5 Why is capital formation important to the South African economy? (8)

[40]

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QUESTION 3: ECONOMIC PURSUITS **40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

3.1.1 Name any TWO South African approaches to redistribution methods. (2 x 1) (2)

3.1.2 How does *wealth* differ from *income*? (1 x 2) (2)

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

AsgiSA Infrastructure Outcomes



[Source: https://www.mapsofworld.com]

3.2.1 In which year was AsgiSA launched? (1)

3.2.2 Identify any ONE infrastructure outcome of AsgiSA from the images above. (1)

3.2.3 Briefly describe the term *economic marginalisation* (2)

3.2.4 What were the objectives of the Accelerated And Shared Growth Initiative for South Africa? (2)

3.2.5 How does JIPSA relate to AsgiSA? (2 x 2) (4)

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

The IMF slightly hikes SA's growth forecast

In its World Economic Outlook (WEO) yesterday, the IMF said though the ongoing energy crisis would drag economic growth lower this year, avoiding a technical recession in the first quarter of 2023 had given the economy some hope.

South Africa's power utility, Eskom, has resumed implementing heightened levels of power cuts during peak hours as the current electricity generation struggles to meet rising demand after lower stages of loadshedding in June.

"In South Africa, growth is expected to decline to 0,3% in 2023, with the decline reflecting power shortages, although the forecast has been revised upward by 0,2 percentage point since the April 2023 WEO, on account of resilience in services activity in the first quarter," the IMF said.

For 2024, the IMF said gross domestic product (GDP) would rebound to 1,7%, slightly lower than the 1,8% forecast in April.

Extract date: Wednesday, 26 July 2023

[Source: https://www.iol.co.za/business-report/economy/imf-slightly-hikes-sa-growth-forecast-39b1bdf6-158a-4371-95e7-0e3c8ecc1310]

3.3.1 Identify the institution that hiked SA's growth rate in the extract above. (1)

3.3.2 What is the constraint to growth in South Africa according to the extract above? (1)

3.3.3 Briefly describe the term *economic growth* (2)

3.3.4 How does "avoiding a technical recession" give hope to the economy? (2)

3.3.5 Explain the importance of the view of the IMF on economic growth in South Africa. (2 x 2) (4)

3.4 Discuss the advantages of economic integration and cooperation between countries. (8)

3.5 Why are indigenous knowledge systems important for local communities? (8)

[40]

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QUESTION 4: MACROECONOMICS AND ECONOMIC PURSUITS

40 MARKS – 30 MINUTES

4.1 Answer the following questions.

4.1.1 Name any TWO industries in the primary sector. (2 x 1) (2)

4.1.2 Why do free goods have value? (1 x 2) (2)

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



[Source: http://www.polyp.org.uk/cartoons/consumerism]

4.2.1 Identify the group referred to as 'people' in the cartoon above. (1)

4.2.2 Name any factor which enriches the rich in the cartoon above. (1)

4.2.3 Briefly describe the term *Gini coefficient.* (2)

4.2.4 Why is redistribution of income and wealth important? (2)

4.2.5 How can a progressive income tax system achieve redistribution of income? (2 x 2) (4)

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

'Developing countries risk being left behind…'

In its flagship Technology and Innovation Report 2023, UNCTAD said the economic inequalities that exist between developing and developed countries look set to worsen in years to come because the former will find it harder to tap into the market opportunities that exist around green technologies.

During a press conference to discuss the contents of its 236-page report, UNCTAD director Shamika Sirimanne said there was "enormous potential" for developing countries to benefit from the "green technological revolution" but there was a high risk that this opportunity could be squandered.

"There is enormous potential for developing countries … and I say potential because at the moment it remains at that level," she said.

[Source: https://www.computerweekly.com/news/]

4.3.1 List ONE characteristic of developing countries. (1)

4.3.2 Identify a possible trend in economic inequalities from the extract above. (1)

4.3.3 Briefly describe the term *economic development* (2)

4.3.4 Why do economic inequalities exist between developing and developed countries? (2)

4.3.5 How can unemployment be best measured in developing countries? (2 x 2) (4)

4.4 Discuss *efficiency* and *freedom of action and ownership* as advantages of a market economy. (4 x 2) (8)

4.5 Evaluate government's involvement in increasing access to economic opportunities. (8)

[40]

TOTAL SECTION B: 80

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SECTION C

Answer ONE of the two questions from 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**

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QUESTION 5: MACROECONOMICS **40 MARKS – 40 MINUTES**

- Compare and contrast the South African mixed economy with a centrally planned economic system. (26 marks)
- How does the government assist the economically marginalised groups in South Africa? (10 marks) **[40]**

QUESTION 6: ECONOMIC PURSUITS **40 MARKS – 40 MINUTES**

- Discuss, in detail, the functions of the South African Reserve Bank. (26 marks)
- How can monetary policy be used to slow down an overheating economy? (10 marks) **[40]**

TOTAL SECTION C: 40

TOTAL: 150

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END