GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

PROVINCIAL EXAMINATION

JUNE 2024

GRADE 10

ECONOMICS

PAPER 1

TIME: 1½ hours

MARKS: 100

10 pages

INSTRUCTIONS AND INFORMATION

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

   SECTION A: COMPULSORY
   SECTION B: Answer TWO of the 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 2 – 3 lines between sub-sections 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.

SECTION A (COMPULSORY)

QUESTION 1 **20 MARKS – 15 MINUTES**

1.1 Various options are provided as possible answers to the following questions. Choose the correct answer and write only the letter (A – D) next to the question number (1.1.1 – 1.1.5) in the ANSWER BOOK, e.g., 1.1.9 D.

1.1.1 Economics is a social science that studies how people satisfy their numerous needs and wants with …

A limited means.
B unlimited resources.
C limited satisfactions.
D unlimited utility.

1.1.2. Econometrics deals with …

A the impact of economic decisions on the environment.
B world trade and international economics.
C applying statistics in economics.
D trade and finance between countries.

1.1.3 The most important participant(s) in the circular flow model is/are the …

A government.
B workers.
C employers.
D households.

1.1.4 The basic economic problem faced by all nations is …

A consumption.
B distribution.
C scarcity.
D production.

1.1.5 What stage of a business cycle is associated with low interest rates, and production increases?

A Recovery
B Prosperity
C Contraction
D Peak (5 x 2) (10)

1.2 Choose a description from COLUMN B that matches an item in COLUMN A. Write only the letter (A – G) next to the question number (1.2.1 – 1.2.6) in the ANSWER BOOK e.g. 1.2.7 F.

COLUMN A		COLUMN B	
1.2.1	Economic efficiency	A	a place where final goods and services are bought and sold
1.2.2	Keynesian approach	B	changes simultaneously with the shifts in economic activity
1.2.3	Product market	C	assumes free markets have no self-balancing mechanisms
1.2.4	Business cycle	D	the free-market economy is inherently stable
1.2.5	Environment	E	alternating periods of expansion and contraction
1.2.6	Coincident indicator	F	an optimal allocation of resources to maximise welfare
		G	the physical surroundings and conditions that affect people's lives

(6 x 1) (6)

1.3 Give ONE term for each of the following descriptions. Write only the term next to the question number (1.3.1 – 1.3.4) in the ANSWER BOOK. Abbreviations, acronyms, and examples will NOT be accepted.

1.3.1 A branch of economics that focuses on the study of individual economic units at a smaller scale.

1.3.2 That portion of income that a household does not spend.

1.3.3 Goods that are abundant but have no exchange value.

1.3.4 Variables that influence the business cycle but are not directly related to the normal functioning of the economy (4 x 1) (4)

TOTAL SECTION A: [20]

SECTION B

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

QUESTION 2: MACROECONOMICS 40 MARKS – 35 MINUTES

2.1 Answer the following questions.

2.1.1 Name any TWO career opportunities in the economic field of study. (2 x 1) (2)

2.1.2 What is the benefit of using economic models? (1 x 2) (2)

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

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FATE OF HUMANITY RESTS ON ECONOMICS



The former president, Thabo Mbeki, who has a degree in Economics, has quoted the call of Fidel Castro for politicians to study Economics. He said that political leaders should study Economics to solve the problem of equity, sustainable development, and human security.

Economics is the basis on which the fate of humankind depends. It is also the basis from which our struggle for equality begins. “Politicians who do not want to understand or who do not want to know economics are not worthy of exercising their duty in governing”, said the former president.

[Adapted Source: *Sunday Argus*]

2.2.1 Name the economic system that is associated with Fidel Castro. (1)

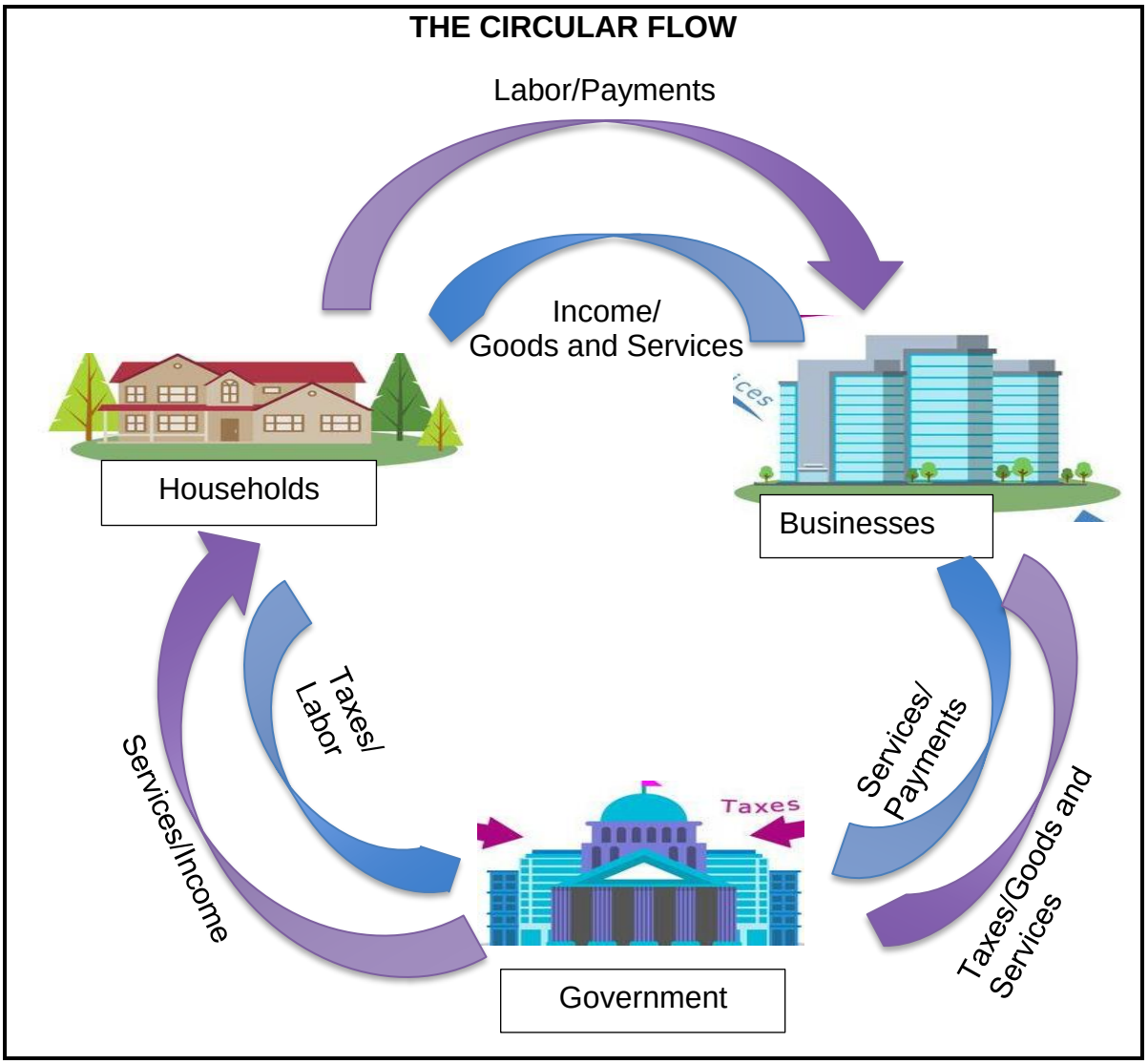
2.2.2 What economic field of study would be the most appropriate for governmental leaders to study? (1)

2.2.3 Briefly explain the term *economic system*. (2)

2.2.4 Why is economics considered the "study of choices"? (2)

2.2.5 How can economics be used to solve income inequality? (2 x 2) (4)

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



[Source: Investopedia.com]

2.3.1 Name the absent participant in a closed economy. (1)

2.3.2 Identify one of the main flows in the circular flow model. (1)

2.3.3 Briefly explain the term *circular flow.* (2)

2.3.4 Why is the foreign sector important for economic growth? (2)

2.3.5 How will an increase in household spending impact the circular flow? (4)

2.4 Distinguish between a positive and a normative statements. (4 x 2) (8)

2.5 How is economics and mathematics related? (8)

[40]

QUESTION 3: MACROECONOMICS **40 MARKS – 35 MINUTES**

3.1 Answer the following questions.

3.1.1 Name any TWO examples of capital goods. (2 x 1) (2)

3.1.2 Why is the GDP of South Africa traditionally higher than the GNP? (1 x 2) (2)

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

THE IMPACT OF THE UKRAINE/RUSSIA WAR ON THE ECONOMY



A bitter and bloody war in the Ukraine destroyed the country, isolated Russia further from the West and fired economic uncertainty across the world.

[Adapted source: *www.economist.com*]

3.2.1 Identify the section of the South African economy most affected by the Ukraine war. (1)

3.2.2 How did commodity prices change as result of the war? (1)

3.2.3 Briefly explain the term *foreign trade.* (2)

3.2.4 Why were South African production disrupted by the war? (2)

3.2.5 In which way can South Africa benefit from the trade ban on Russia? (4)

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

SA'S DIRTY AIR



Johannesburg has some of the worst air quality in the world. The city measures 2.6 times higher than the World Health Organisation's guideline value. Experts say heavy reliance on coal and mining is the main cause of the city's pollution.

[*Adapted source: News24*]

3.3.1 Identify the type of pollution depicted in the picture above. (1)

3.3.2 What tax is levied on pollution-intensive goods called? (1)

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

3.3.4 Why do developed countries contribute more to global pollution than developing countries? (2)

3.3.5 How can education help lower pollution levels? (2 x 2) (4)

3.4 Describe the differences between absolute and relative scarcity. (2 x 4) (8)

3.5 How does the government protect consumer rights? (4 x 2) (8)

[40]

TOTAL SECTION B: 40

SECTION C

Answer ONE of the two question 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:** 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: MACROECONOMICS **40 MARKS – 40 MINUTES**

- Discuss in detail the economic participants in the circular flow. (26 marks)
- Examine the importance of an open economy to South Africa. (10 marks) **[40]**

QUESTION 6: MACROECONOMICS **40 MARKS – 40 MINUTES**

- Discuss in detail the effects of business cycles on the following:
  - aggregate supply and aggregate demand
  - employment
  - exchange rates
  - the economically vulnerable (26 marks)
- How do external factors influence economic fluctuations? (10 marks) **[40]**

TOTAL SECTION C: 40

TOTAL: 100

END