GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

GAUTENG DEPARTMENT OF EDUCATION

PROVINCIAL EXAMINATION

JUNE 2019

GRADE 10

ECONOMICS

PAPER 1

TIME: 1½ hours

MARKS: 100

10 pages

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(Paper 1)

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INSTRUCTIONS AND INFORMATION

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

   SECTION A: COMPULSORY
   SECTION B: Answer any ONE of the two questions.
   SECTION C: Answer any 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 question 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 blue or black ink.

10. You may use a non-programmable pocket calculator.

11. Write neatly and legibly.

SECTION A (COMPULSORY)

QUESTION 1: MULTIPLE-CHOICE QUESTIONS 20 MARKS – 15 MINUTE

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, for example 1.1.6 D.

1.1.1 Economics is a social science that studies human …

A capital.
B mathematical ability.
C choices.
D scientific thinking.

1.1.2 "Government should not tax poor people" is an example of a … statement.

A positive
B normative
C scientific
D valid

1.1.3 If people or countries have enough resources to buy goods, but the goods are not available we say … exists.

A relative scarcity
B comparative scarcity
C absolute scarcity and relative scarcity
D absolute scarcity

1.1.4 The market that is used to trade the services of the factors of production is called a …

A goods market.
B factor market.
C product market.
D a market for goods and services.

1.1.5 Which of the following areas of study is not a branch of economics?

A Monetary economics
B Business economics
C Microeconomics
D Labour economics

(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.

COLUMN A	COLUMN B
1.2.1 Barter system	A All the goods and services with which we can satisfy human needs
1.2.2 Primary sector	B The cost of the alternative that could have been chosen but was sacrificed for something else
1.2.3 Leading indicator	C Focuses on the economy as a whole
1.2.4 Microeconomics	D Change direction before the economy changes
1.2.5 Opportunity cost	E The extraction and collection of raw materials
1.2.6 Economic means	F Where goods are exchanged for goods
	G Focuses on the decisions of specific groups of people such as consumers, producers, importers exporters and government

(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. Acronyms, examples and abbreviations will NOT be accepted.

1.3.1 The line that shows the long-term direction of a business cycle

1.3.2 The document that contains the national income accounts of South Africa and are published by the South African Reserve Bank

1.3.3 An area of study in economics that focuses on trade and finance between nations

1.3.4 The necessity for goods and services without which humans cannot exist (4 x 1) (4)

TOTAL SECTION A: 20

SECTION B

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

QUESTION 2: MACROECONOMICS 40 MARKS – 30 MINUTES

2.1 Answer the following questions.

2.1.1 Name any TWO questions we need to answer in economics. (2 x 1) (2)

2.1.2 How will an increase in the number of private sector businesses influence the public sector? (1 x 2) (2)

2.2 Read the extract below and answer the questions that follow.

South African recession is 'transitional issue' – Ramaphosa

JOHANNESBURG - South Africa's slide into recession is a "transitional issue" from which the economy will soon recover, President Cyril Ramaphosa said in comments published on Thursday, repeating promises for a stimulus package to reignite growth.

Ramaphosa has staked his reputation on reviving the economy after a decade of stagnation under his predecessor, scandal-plagued Jacob Zuma, whom he replaced in February.

But Ramaphosa suffered a major disappointment when data showed on Tuesday that the economy had shrunk 0.7 percent in the second quarter, unexpectedly tipping the country into its first recession since 2009.

[*Source: Adapted from Reuters 6 September 2018*]

2.2.1 Identify the business cycle phase in the above extract. (1)

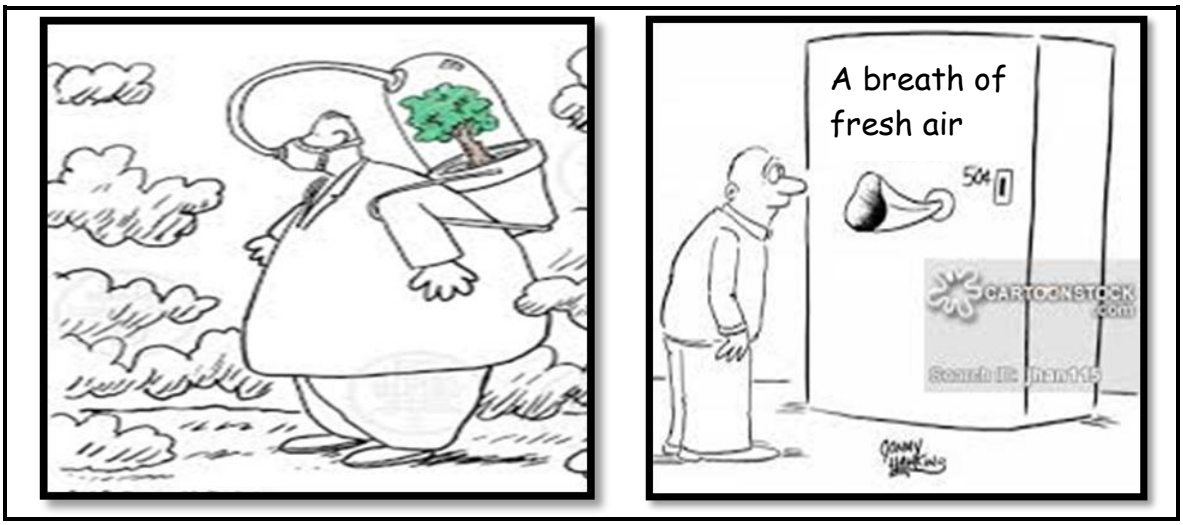
2.2.2 Which government department would best be able to assist the President with implementing the stimulus package to help get the economy growing again? (1)

2.2.3 Briefly describe the term *business cycle*. (2)

2.2.4 Why can we expect job losses during this economic phase? (2)

2.2.5 Advise the president on which fiscal policy measures he could use to stimulate the economy. (2 x 2) (4)

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



[*Source: www.cartoonstock.com*]

2.3.1 Which type of good is represented by fresh air above? (1)

2.3.2 What specific environmental problem is depicted in the above cartoon? (1)

2.3.3 Why is the environment important for a successful business? (2)

2.3.4 What can consumers and the business sector do to protect the environment? (2)

2.3.5 How can the government help to protect the environment? (4)

2.4 Explain the difference between *direct production* and *indirect production*. (2 x 4) (8)

2.5 How do markets contribute to the performance of an economy? (8)

[40]

QUESTION 3: MACROECONOMICS **40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

3.1.1 Name any TWO labour related laws that help protect human rights. (2 x 1) (2)

3.1.2 Why do economists make use of models when formulating theories? (1 x 2) (2)

3.2 Study the table below and answer the questions that follow

Gross value added by kind of economic activity *R millions At constant 2010 prices*	**2015**	**2016**	**2017**
Primary sector	304 898	287 886	309 490
Secondary sector	555 990	559 056	558 239
Tertiary sector	1 925 851	1 958 298	1 974 687
Gross value added at basic prices	2 786 739	2 805 240	2 842 416

[Source: SARB Quarterly Bulletin Nov 2018]

3.2.1 Name ONE industry that forms part of the primary sector? (1)

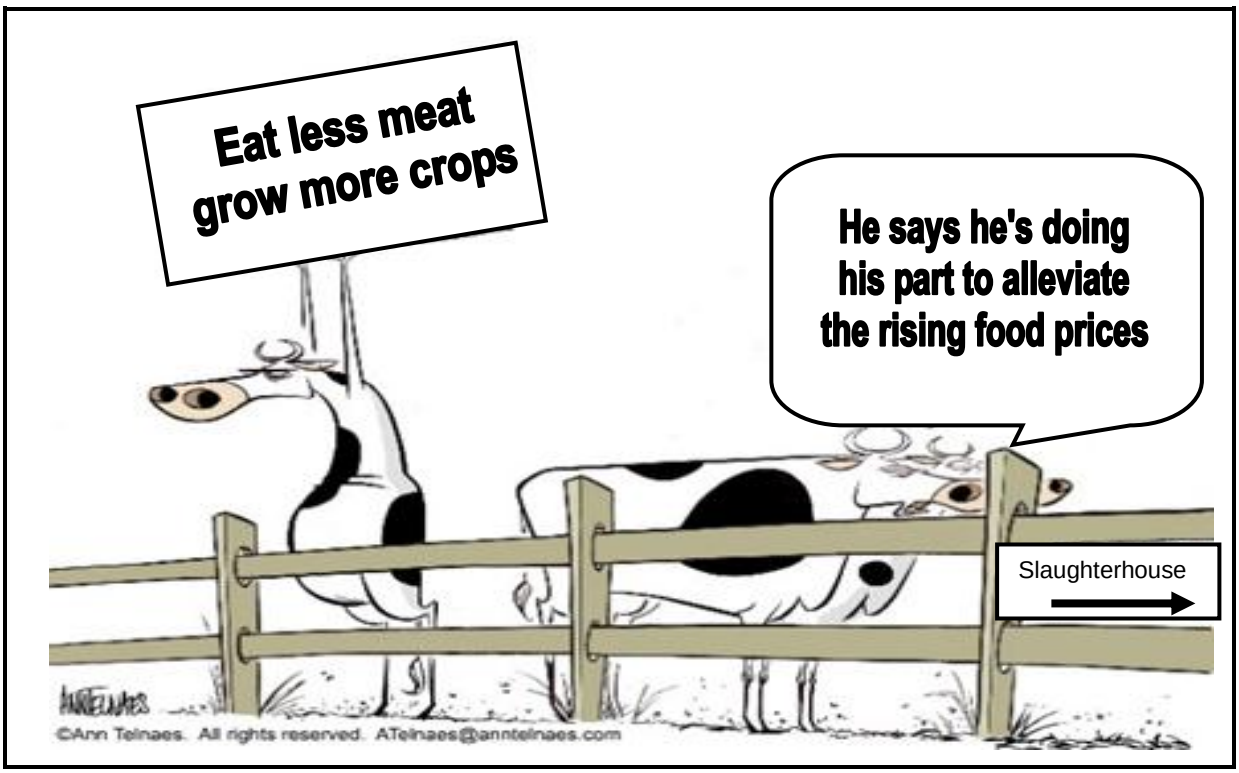
3.2.2 Which method was used to measure the economic activity in the table above? (1)

3.2.3 Briefly describe the term *Gross Domestic Product.* (2)

3.2.4 What could be the possible cause of the decline in the primary sector in 2016? (2)

3.2.5 Calculate the percentage decline in the primary sector from 2015 to 2016. (2 x 2) (4)

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



[Bron: www.google.com]

3.3.1 Why would the cow in the cartoon suggest that we eat less meat? (1)

3.3.2 What would the opportunity cost be of eating more crops? (1)

3.3.3 What could the advantage to humans be of eating less meat? (2)

3.3.4 What can government do to encourage people to eat less red meat? (2)

3.3.5 Explain the relationship between scarcity and choice of alternatives. (2 x 2) (4)

3.4 Briefly discuss *specialization* and *division of labour* in production. (2 x 4) (8)

3.5 How successful has the South African government been in delivering basic services to economically disadvantaged people to improve their standard of living? (8)

[40]

TOTAL SECTION B: 40

SECTION C

Answer any 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 determine 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 saying 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 / Evaluate / Compare / Distinguish / Examine / Differentiate / Explain **Additional part:** Give own opinion / Critically discuss / Evaluate / Explain / Calculate / Critically evaluate/ Deduce / Outline / Compare / How / Suggest	Max. 26 Max. 10
Conclusion Any relevant higher order conclusion should include: • A brief summary of what has been discussed / analysed without repeating facts already mentioned in the body. • 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 4: MACROECONOMICS 40 MARKS – 40 MINUTES

- Discuss in detail the four participants in the economy and the interactions between these participants. (26 marks)
- Critically evaluate the importance of the GDP aggregates. (10 marks)

[40]

QUESTION 5: MACROECONOMICS 40 MARKS – 40 MINUTES

- Discuss in detail the effects of business cycles on the participants in the economy. (26 marks)
- Critically evaluate the usefulness of business cycle indicators. (10 marks)

[40]

TOTAL SECTION C: 40

TOTAL: 100

END