



# basic education

Department:  
Basic Education  
**REPUBLIC OF SOUTH AFRICA**

**NATIONAL  
SENIOR CERTIFICATE**

**GRADE 10**

**ECONOMICS P1**

**EXEMPLAR 2012**

**MARKS: 150**

**TIME: 2 hours**

**This question paper consists of 12 pages.**

**INSTRUCTIONS AND INFORMATION**

1. Answer FOUR questions as follows in the ANSWER BOOK:
  - SECTION A: COMPULSORY
  - SECTION B: Answer any TWO of the three 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 question number above each answer.
4. Read the questions carefully.
5. Start EACH question on a NEW page.
6. Leave 2–3 lines between subsections of questions.
7. 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.
8. Answer only the required number of questions. Answers in excess of the required number will NOT be marked.
9. Use only black or blue ink.
10. You may use a non-programmable pocket calculator.
11. Write neatly and legibly.

**SECTION A (COMPULSORY)****QUESTION 1****30 MARKS – 15 MINUTES**

- 1.1 Various 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 (1.1.1–1.1.8) in the ANSWER BOOK, for example 1.1.9 C.
- 1.1.1 The branch of economics that focuses on the behaviour of the economy as a whole is known as ... economics.
- A micro-
  - B development
  - C macro-
- 1.1.2 When we have insufficient resources to satisfy our needs and wants, ... exists.
- A labour
  - B scarcity
  - C capital
- 1.1.3 The total value of all final goods and services produced within the boundaries of a country in a particular period is known as the ...
- A Gross Domestic Product.
  - B Gross Domestic Expenditure.
  - C Gross National Income.
- 1.1.4 The purchase of a school bag instead of a movie ticket indicates the economic principle of ...
- A exchange.
  - B opportunity cost.
  - C savings.
- 1.1.5 The first indigenous people in South Africa were the ...
- A Xhosa.
  - B Zulu.
  - C San.
- 1.1.6 South Africa was a ... of England for nearly 150 years.
- A province
  - B colony
  - C village

1.1.7 A transaction that cannot be done at an ATM is ...

- A the deposit of coins.
- B withdrawals.
- C the payment of accounts.

1.1.8 South Africa's economic development started with ...

- A mining.
- B fishing.
- C commercial agriculture.

(8 x 2) (16)

1.2 Choose a description from COLUMN B that matches an item in COLUMN A. Write only the letter (A–I) next to the question number (1.2.1–1.2.8) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.2.1	Investment	A	usually paid by the consumers of these goods and services
1.2.2	Public goods	B	protects the interests of workers
1.2.3	PAYE	C	the economic term for expenditure on capital goods
1.2.4	Education	D	the biggest expenditure item of the South African budget
1.2.5	Urbanisation	E	direct taxation
1.2.6	Specialisation	F	money that people are compelled by law to accept
1.2.7	Labour unions	G	a growing number of people move to cities and towns
1.2.8	Legal tender	H	in the production of goods, every worker repeats only one activity
		I	collectively consumed and owned by communities

(8 x 1) (8)

1.3 Choose the correct word from those given in brackets. Write only the word next to the question number (1.3.1–1.3.6) in the ANSWER BOOK.

1.3.1 Economically vulnerable people always benefit during the (expansion/contraction) phase of the business cycle.

1.3.2 Flour used in the production of bread is (final/intermediate) goods.

1.3.3 The general increase in prices is known as (inflation/deflation).

1.3.4 Another name for a workforce is (labour force/entrepreneur).

1.3.5 The (French/Industrial) Revolution started in England.

1.3.6 The central bank in South Africa is called the (Federal/Reserve) Bank. (6 x 1) (6)

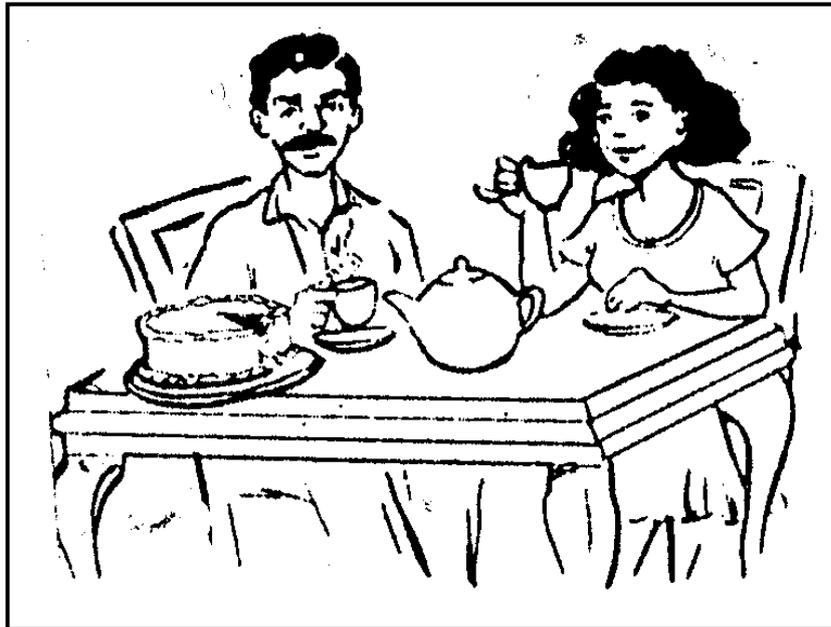
**TOTAL SECTION A: 30**

**SECTION B**

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

**QUESTION 2: MACROECONOMICS****40 MARKS – 25 MINUTES**

- 2.1 Identify the FOUR factors of production. (4 x 1) (4)
- 2.2 Study the illustration below and answer the questions that follow.



- 2.2.1 Does the above illustration depict the process of consumption or production? (2)
- 2.2.2 Give an example of durable goods in the above illustration. (1)
- 2.2.3 Would the expenditure on durable goods above be classified as government expenditure or household consumption expenditure? (1)
- 2.2.4 Differentiate between *immediate (direct) consumption* and *deferred (indirect) consumption* and give an example of each. (2 x 3) (6)

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

**MR PRICE'S PERFORMANCE**

Cape Town: In 2011 Mr Price announced a lower accounting profit for the first time in five years. Growth in sales was up 15% to R2,6 billion for the year ended 31 March 2011.

'It is easy to put the blame on smaller consumer spending. Our stocks of some luxury items for Mr Price Weekend Material were simply too high and we had to cut our prices and margins.'

Difficult trading circumstances also had an effect on the group's results, just as these conditions have also affected other retailers' trade.

The area most affected by the difficult trading conditions was the group's jewellery line, and the group does not plan on expanding this section.

[Adapted from: *Business Burger*, 5 July 2010]

- 2.3.1 What does *accounting profit* refer to? (2)
- 2.3.2 Why did Mr Price experience low profits? (2 x 2) (4)
- 2.3.3 Why, do you think, was the sale of jewellery at Mr Price most affected by the difficult trading conditions? (2 x 2) (4)
- 2.4 Explain the characteristics according to which markets can be classified. (2 x 4) (8)
- 2.5 Tabulate the differences between *free goods* and *economic goods*. (4 x 2) (8)
- [40]**

**QUESTION 3: ECONOMIC PURSUITS****40 MARKS – 25 MINUTES**

- 3.1 Give FOUR examples of commodity money. (4 x 1) (4)
- 3.2 Study the table below and answer the questions that follow.

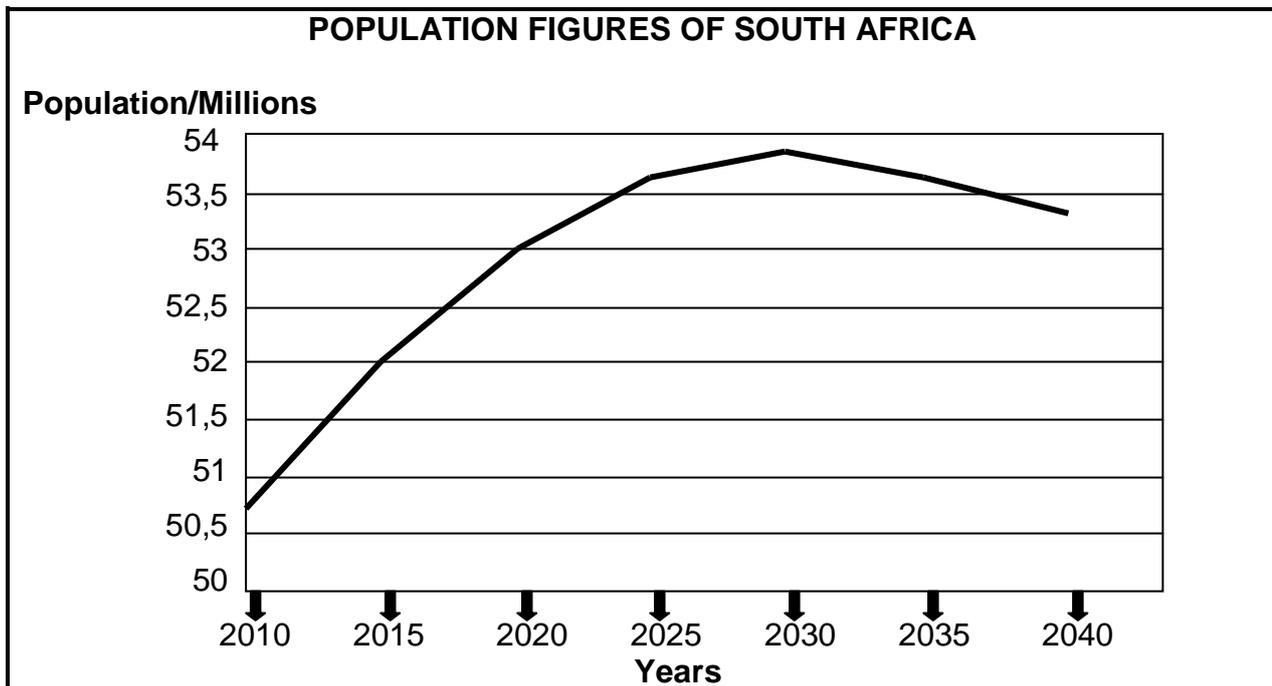
**COMPOSITION OF THE SOUTH AFRICAN GDP 1912–2011**  
[% of GDP]

SECTOR	1912	1940	1981	1994	2003	2005	2011
<b>Primary *</b>	48,8	32,7	<b>A</b>	11,8	10,8	10,2	11,8
Agriculture, forestry and fishing *	21,3	12,1	7,1	4,6	3,4	2,8	2,4
Mining *	27,5	20,6	16,0	7,2	7,4	7,4	9,4
<b>Secondary</b>	5,8	11,6	31,1	27,7	24,3	23,4	21,0
<b>Tertiary</b>	45,4	55,7	45,8	60,5	64,9	66,4	67,2

[Source: SARB Quarterly Bulletin, September 2012]

- 3.2.1 Define the *secondary sector*. (2)
- 3.2.2 Calculate the value of the primary sector's contribution (**A**) in 1981. (2)
- 3.2.3 Briefly describe the trend with regard to the contribution of the various sectors to the GDP from 1912 to 2011. (6)

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

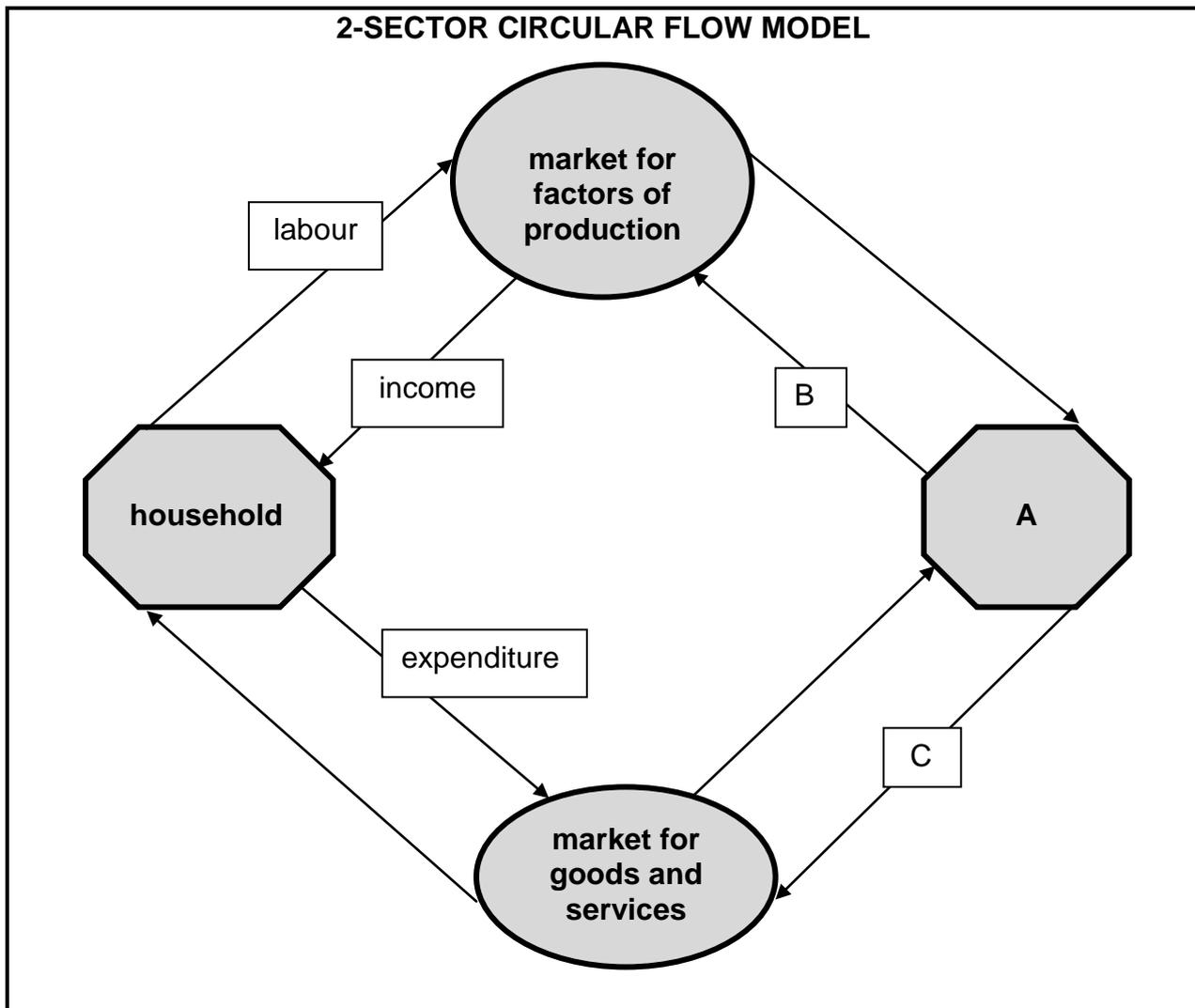


[Source: *Enjoy Economics 2011*]

- 3.3.1 What is the main method used to count a population? (2)
- 3.3.2 Name a factor that influences the population growth rate of a country. (1)
- 3.3.3 Describe the trend illustrated by the graph. (3)
- 3.3.4 During which year will the South African population be at its highest? (2)
- 3.3.5 What is the expected population figure of South Africa for the year 2040? (2)
- 3.4 Explain the concept *globalisation*. (4 x 2) (8)
- 3.5 Briefly discuss the impact of colonialism on the economic development of South Africa. (4 x 2) (8)
- [40]**

**QUESTION 4: MACROECONOMICS AND ECONOMIC PURSUITS****40 MARKS – 25 MINUTES**

- 4.1 Name FOUR economic consequences of the mining and industrial stage. (4 x 1) (4)
- 4.2 Study the diagram below and answer the questions that follow.



- 4.2.1 Label **A**, **B** and **C**. (3)
- 4.2.2 Name ONE leakage that can influence the money flow in this model. (1)
- 4.2.3 How will the inclusion of the foreign sector affect the flow of goods and services in the circular flow? (2)
- 4.2.4 Describe the real flow and money flow that occur between households and government, if the government were included in the above circular flow model. (4)

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



[Source: *Enjoy Economics*, 2011]

- 4.3.1 Define the term *market*. (2)
- 4.3.2 What type of trade is illustrated in the cartoon? (2)
- 4.3.3 Explain the problems that would exist if our society did not have any money as a medium of exchange. (3 x 2) (6)
- 4.4 Briefly discuss the impact of HIV/Aids on the South African labour force. (4 x 2) (8)
- 4.5 Differentiate between *absolute scarcity* and *relative scarcity*. (2 x 4) (8)

**[40]**

**TOTAL SECTION B: 80**

**SECTION C**

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

Your answer will be assessed as follows:

<b>STRUCTURE OF ESSAY</b>	<b>MARK ALLOCATION</b>
<b>Introduction</b>	Max. 3
<b>Body:</b>	
• Main part: Discuss/Distinguish/Differentiate/Explain/Analyse /Evaluate/Assess	Max. 24
• Additional part: Use/Draw/Sketch a graph/diagram .../ Deduce .../Outline/Briefly explain/Expand on .../Your own opinion	Max. 6
<b>Conclusion</b>	Max. 2
Interpretation/Rubric	Max. 5
<b>TOTAL</b>	<b>40</b>

**QUESTION 5: MACROECONOMICS****40 MARKS – 25 MINUTES**

Discuss the phases and reasons of business cycles.

Draw a well-labelled typical business cycle to support your discussion.

**[40]****QUESTION 6: ECONOMIC PURSUITS****40 MARKS – 25 MINUTES**

Discuss the history of banking in South Africa, highlighting early development, private banks and imperial banks.

In addition, explain how technology has reduced the traditional banking activities of commercial banks.

**[40]**

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**