



Province of the
EASTERN CAPE
EDUCATION

**NATIONAL
SENIOR CERTIFICATE**

GRADE 10

NOVEMBER 2020

**ECONOMICS P1
(EXEMPLAR)**

MARKS: 150

TIME: 2 hours

This question paper consists of 13 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. Number the answers correctly according to the numbering system used in this question paper.
3. Write the number of the question above each answer.
4. Read the questions carefully and start EACH question on a NEW page.
5. Leave 2–3 lines between subsections of questions.
6. 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.
7. Answer only the required number of questions. Answers in excess of the required number will NOT be marked.
8. Use only black or blue ink.
9. Non-programmable pocket calculators may be used.
10. Write neatly and legibly.

SECTION A (COMPULSORY)**30 MARKS – 20 MINUTES****QUESTION 1**

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 (1.1.1–1.1.8) in the ANSWER BOOK, for example 1.1.9 D.

1.1.1 Goods that are used for their own sake, because they satisfy our wants directly.

- A Services
- B Consumer goods
- C Capital goods
- D Intermediate goods

1.1.2 The extraction of raw material from nature.

- A Primary sector
- B Secondary sector
- C Tertiary sector
- D Foreign sector

1.1.3 Where each worker performs only a small part of the production, the activity is called ...

- A division of labour
- B outsourcing
- C skilled labour
- D specialisation

1.1.4 The percentage increase or decrease in respect of real amount after inflation has been included.

- A Regular figures
- B Nominal figures
- C Real figures
- D Adjusted figures

1.1.5 People did not have a choice of what food to consume; they had to eat whatever they could find.

- A Traditional system
- B Manorialism
- C Feudalism
- D Mercantilism

1.1.6 A person from the economically active age group who is willing to work and is looking for work, but cannot find work.

- A Employed
- B Underemployed
- C Full employed
- D Unemployed

1.1.7 The surplus of people entering the country is called ...

- A net emigration.
- B net immigration.
- C voluntary migration.
- D involuntary migration.

1.1.8 Measures that apply pressure on a nation to do away with unacceptable policies.

- A Trade embargo
- B Tariffs
- C Sanctions
- D Quotas

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

COLUMN A		COLUMN B	
1.2.1	Economic problem	A	systematic approach to uncover regular patterns by looking at actual past events
1.2.2	Monetarist's approach	B	when people move from place to place for food, water and pasture
1.2.3	Scientific method	C	free-market economy is inherently unstable
1.2.4	Business cycle	D	people have unlimited needs and wants but only scarce resources are available
1.2.5	Nomadic	E	the difference between money value of imports and exports
1.2.6	Balance of trade	F	Free-market economy is inherently stable
1.2.7	Economic policy	G	the repeating and fluctuating levels of economic activity over a long period of time
1.2.8	Khoisan	H	first indigenous people in South Africa
		I	government action to influence economic activities

(8 x 1) (8)

- 1.3 Identify the concept described in each of the following statements. Write only the term/word next to the question numbers (1.3.1–1.3.6) in the ANSWER BOOK.
- 1.3.1 The study of how individuals, businesses and other organisations make choices about how to produce goods and services from scarce resources
- 1.3.2 A statement involving a subjective value judgement
- 1.3.3 The movement of goods and services and the factors of production are among the participants in the economy
- 1.3.4 The worldwide integration of markets and production
- 1.3.5 An organisation of workers who combine to achieve common goals such as better working conditions
- 1.3.6 An economic market system where all decisions about production and consumption are made by individual people (6 x 1) (6)
- TOTAL SECTION A: 30**

SECTION B

Answer any TWO of the three 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 TWO branches of economics. (2 x 1) (2)

2.1.2 Why do economists use mathematical finance? (1 x 2) (2)

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

GROSS VALUE ADDED (GVA)	2019 (million rands)
Primary sector	456 939
Secondary sector	106 067
Tertiary sector	350 882
GVA AT BASIC PRICES	QUESTION 2.2.5
Taxes on products	575
Subsidy on products	150
GDP AT MARKET PRICES	914 313

2.2.1 Identify the method used in the table above. (1)

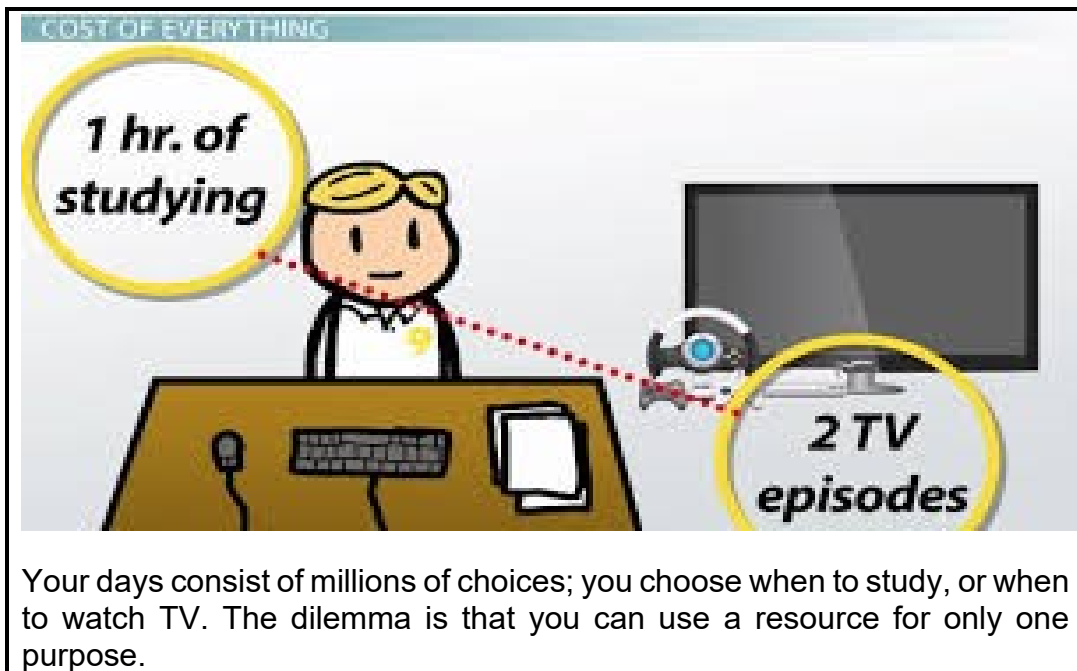
2.2.2 Give ONE example of taxes on products. (1)

2.2.3 Briefly explain the term *Gross Domestic Product (GDP)*. (2)

2.2.4 Why are subsidies subtracted when calculating the GDP? (2)

2.2.5 Calculate the Gross Value Added at basic prices. Show ALL calculations. (4)

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



- 2.3.1 Which economic problem is indicated in the picture above? (1)
- 2.3.2 Identify the rational choice from the picture above. (1)
- 2.3.3 Briefly describe the term *choice*. (2)
- 2.3.4 How do you ensure that you make a good choice? (2)
- 2.3.5 Why do people have to make a choice? (4)
- 2.4 Briefly explain the difference between *economic* and *free* goods. (8)
- 2.5 Why is the use of models necessary in economics? (8)

[40]

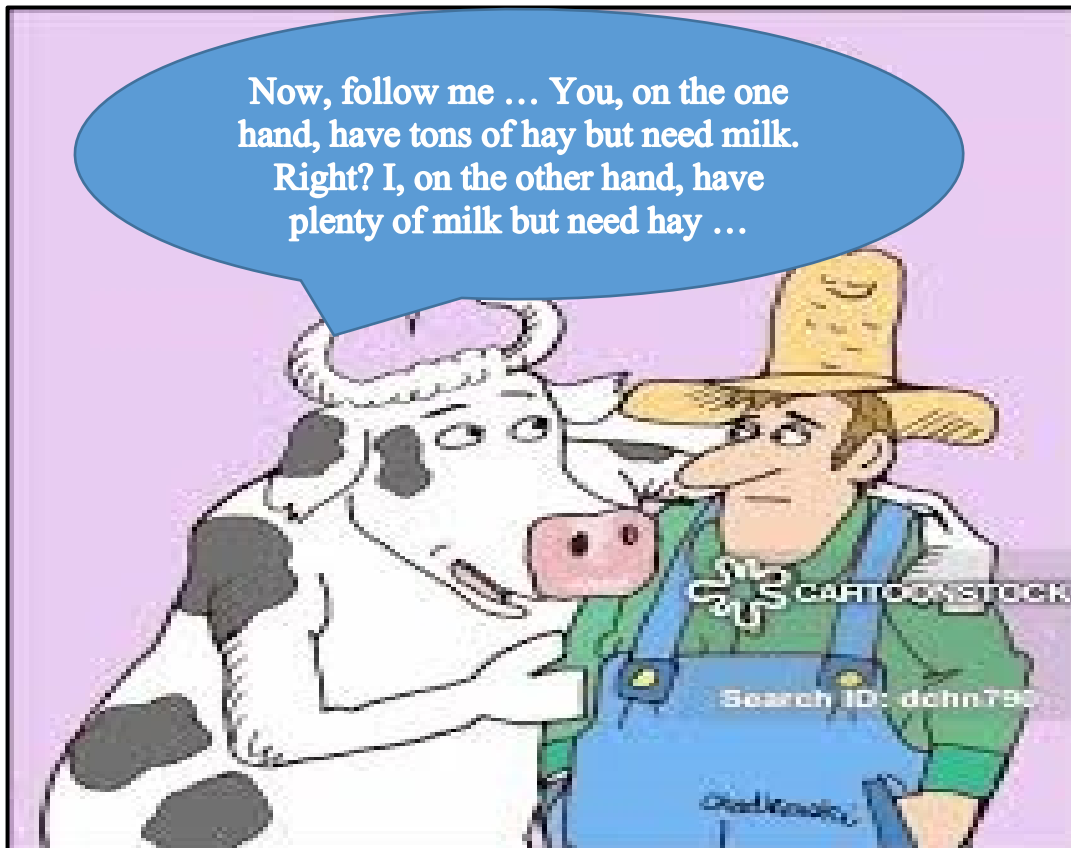
QUESTION 3: ECONOMIC PURSUITS**40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

3.1.1 Name TWO ways used by guilds to produce surpluses for trading. (2 x 1) (2)

3.1.2 What role did the development of towns and cities play in the early economic development? (1 x 2) (2)

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



3.2.1 What type of trade is depicted in the cartoon above? (1)

3.2.2 How did people use this type of trade? (1)

3.2.3 Explain the intervention of the government in trade. (2)

3.2.4 What led the economy to use money? (2)

3.2.5 Why should the nation be encouraged to save? (4)

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

URBANISATION

South Africa is urbanising rapidly with 63% of South Africans already living in urban areas and the statistics will rise to 71% by 2030. By 2015, 8 in 10 people will be living in urban areas and this will increase demand on basic infrastructure requirements. The challenges of urbanisation are many.

[Adapted from <http://pmg.org.za>]

- 3.3.1 Name ONE reason why the percentage of South African people in urban areas is increasing. (1)
- 3.3.2 What is the percentage of South African not living in urban areas? (1)
- 3.3.3 Briefly describe the term *urbanisation*. (2)
- 3.3.4 What might be the challenges of urbanisation? (2)
- 3.3.5 How effective is the use of technology in the economy? (4)
- 3.4 Briefly explain the evolution of limited liability companies. (4 x 2) (8)
- 3.5 How were the indigenous people negatively affected by colonialism and imperialism? (4 x 2) (8)
- [40]**

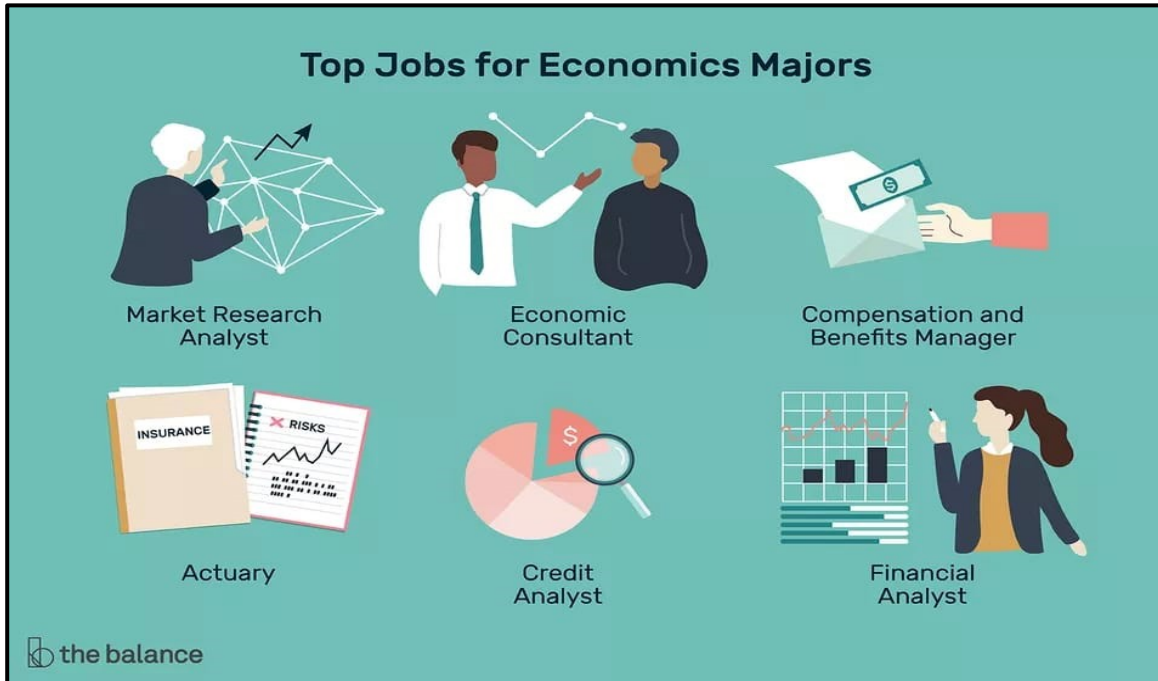
QUESTION 4: MACROECONOMICS AND ECONOMIC PURSUITS
40 MARKS – 30 MINUTES

4.1 Answer the following questions.

4.1.1 Name any TWO ways of life of the San people. (2 x 1) (2)

4.1.2 Why is economics regarded as a social science? (1 x 2) (2)

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



4.2.1 Name any ONE career choice when doing Economics. (1)

4.2.2 Which science can be combined with Economics? (1)

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

4.2.4 What is the effect of not having a career? (2)

4.2.5 Why should people consider their interests and skills when choosing a career? (4)

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

THE INNOVATION HUB

South Africa has the most highly developed telecommunications network in Africa. It is 99% digital and includes wireless and satellite communication. South Africa is also in an excellent position to export its ICT products and services to the market in the rest of Africa, where demand is growing rapidly as economic conditions improve.

[Adapted from *Fast Track Economics*]

- 4.3.1 Name any ONE communication system used in South Africa. (1)
- 4.3.2 What is the main purpose of the Innovation Hub? (1)
- 4.3.3 Briefly explain the term *communication*. (2)
- 4.3.4 Explain why a communication system is important in the economy. (2)
- 4.3.5 What effect will mobile and wireless communication have on our lives? (4)
- 4.4 Distinguish between *economic growth* and *economic development*. (4 x 2) (8)
- 4.5 Evaluate the negative impact of production on the environment. (4 x 2) (8)
- [40]**

TOTAL SECTION B: 80

SECTION C

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

STRUCTURE OF ESSAY	MARK ALLOCATION
<p>Introduction</p> <ul style="list-style-type: none"> • A good starting point would be to define a concept or key word that appears in the question. • Include other sentences to support the topic. • Do not include in your introduction any part of the question. • 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
<p>Body: Main part: Discuss in detail/In-depth discussion/Examine/Critically discuss/Analyse/Compare/Evaluate/Distinguish/Differentiate/Explain/Assess/Debate Additional part: Give own opinion/Critically discuss/Evaluate/Critically evaluate/Draw a graph and explain/Use the graph given and explain/Complete the given graph/Calculate/Deduce/Compare/Explain/Distinguish/Interpret/Briefly debate</p>	Max. 26 Max. 10
<p>Conclusion</p> <ul style="list-style-type: none"> • The conclusion is a wrap-up of the discussion of the topic in the body and should be treated as a higher-order response. • The conclusion can take the form of an own opinion, examples to support your discussion or a contradictory viewpoint from what has been discussed. • No aspect from either the introduction or body should be included in the conclusion. 	Max. 2
TOTAL	40

QUESTION 5: MACROECONOMICS

40 MARKS – 40 MINUTES

- Discuss in detail the economic indicators used in forecasting. (26 marks)
- Why would a recession negatively affect the economically vulnerable? (10 marks) **[40]**

QUESTION 6: ECONOMIC PURSUITS

40 MARKS – 40 MINUTES

- Discuss in detail the FIVE stages of the demographic cycle. (Max. 6 marks per stage) (26 marks)
- In your opinion, what impact does the spread of COVID-19 have on the labour force of a country? (10 marks) **[40]**

TOTAL SECTION C: 40
GRAND TOTAL: 150