



**GAUTENG DEPARTMENT OF EDUCATION  
PROVINCIAL EXAMINATION  
NOVEMBER 2019**

**GRADE 10**

**ECONOMICS  
PAPER 1**

**TIME: 2 hours**

**MARKS: 150**

**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. 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. Non-programmable pocket calculators may be used.
11. Write neatly and legibly.

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

- 1.1 Various possible options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1.1 to 1.1.8) 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 resources.
  - B unlimited resources.
  - C limited satisfaction.
  - D unlimited satisfaction.
- 1.1.2 The basic economic problem faced by all nations is ...
- A free goods.
  - B human rights.
  - C scarcity.
  - D free election.
- 1.1.3 The most important economic participants in the circular flow diagram are ...
- A taxes.
  - B workers.
  - C employers.
  - D households.
- 1.1.4 The period that shows a decline in economic activities is ...
- A recovery.
  - B recession.
  - C trend line.
  - D moving averages.
- 1.1.5 The situation whereby households aimed at producing all the goods and services that they needed for their survival is known as ...
- A opportunity cost.
  - B alternatives.
  - C self-sufficiency.
  - D choice.
- 1.1.6 The first group of people who lived in the Southern and Western part of Africa was the ...
- A Khoisan.
  - B Africans tribes.
  - C Europeans.
  - D Arabs.

1.1.7 Paying your accounts via internet banking is known as ...

- A real money.
- B E-electronic.
- C modern money.
- D indigenous money.

1.1.8 Information on the size of the population and labour force is obtained from the ...

- A IMF.
- B SARB Quarterly Bulletin.
- C World Bank.
- D census.

(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 number (1.2.1 to 1.2.8).

COLUMN A		COLUMN B	
1.2.1	Positive statement	A	Where goods and services are purchased or sold
1.2.2	Product market	B	A person moving to another area in search of work
1.2.3	Employment equity	C	Raw materials are extracted, cultivated and harvested
1.2.4	Primary sector	D	Equal opportunities for all people in the workplace
1.2.5	Economic growth	E	The period of very high economic activity just before the economy slows down
1.2.6	Boom	F	A statement based on facts which can be proven
1.2.7	Barter trade	G	A process of exchanging goods and services for each other in the absence of money
1.2.8	Labour force	H	The economically active population consisting of people between the ages of 15 and 64 who are actively seeking jobs
		I	An increase in the real GDP

(8 x 1) (8)

- 1.3 Give ONE term for EACH of the following descriptions. Write only the term next to the question number (1.3.1 to 1.3.6) in the ANSWER BOOK.

Abbreviations and acronyms will NOT be accepted.

- 1.3.1 All the physical and mental efforts of human activities involved in the production of goods and services
- 1.3.2 When someone has the means and resources to buy a product, but there is no supply of that product
- 1.3.3 This is a branch of economics that studies the economy as a whole e.g. employment rate.
- 1.3.4 The process whereby people move in and out of the country
- 1.3.5 The lowest turning point of a business cycle
- 1.3.6 The stage or sector whereby the raw materials provided by primary industries are converted into products for consumption (6 x 1) (6)

**TOTAL SECTION A: 30**

**SECTION B**

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

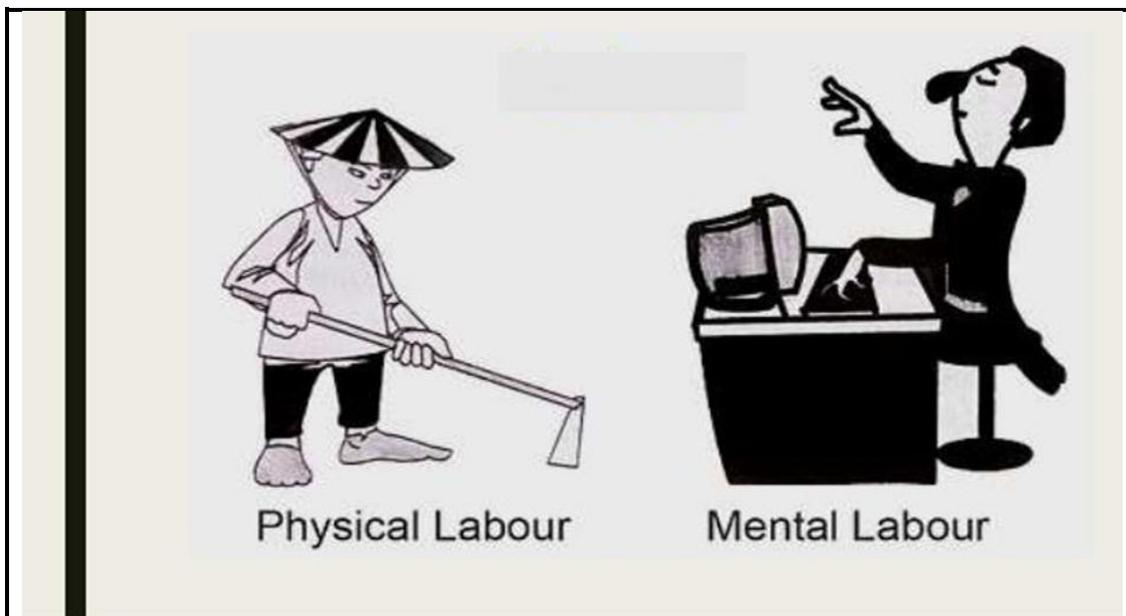
**QUESTION 2: MACROECONOMICS****40 MARKS – 30 MINUTES**

2.1 Answer the following questions.

2.1.1 Name any TWO human rights. (2 x 1) (2)

2.1.2 Why does the government collect taxes from businesses and households? (1 x 2) (2)

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



[Source: [www.google.com](http://www.google.com)]

2.2.1 Which factor of production is depicted by the cartoon above? (1)

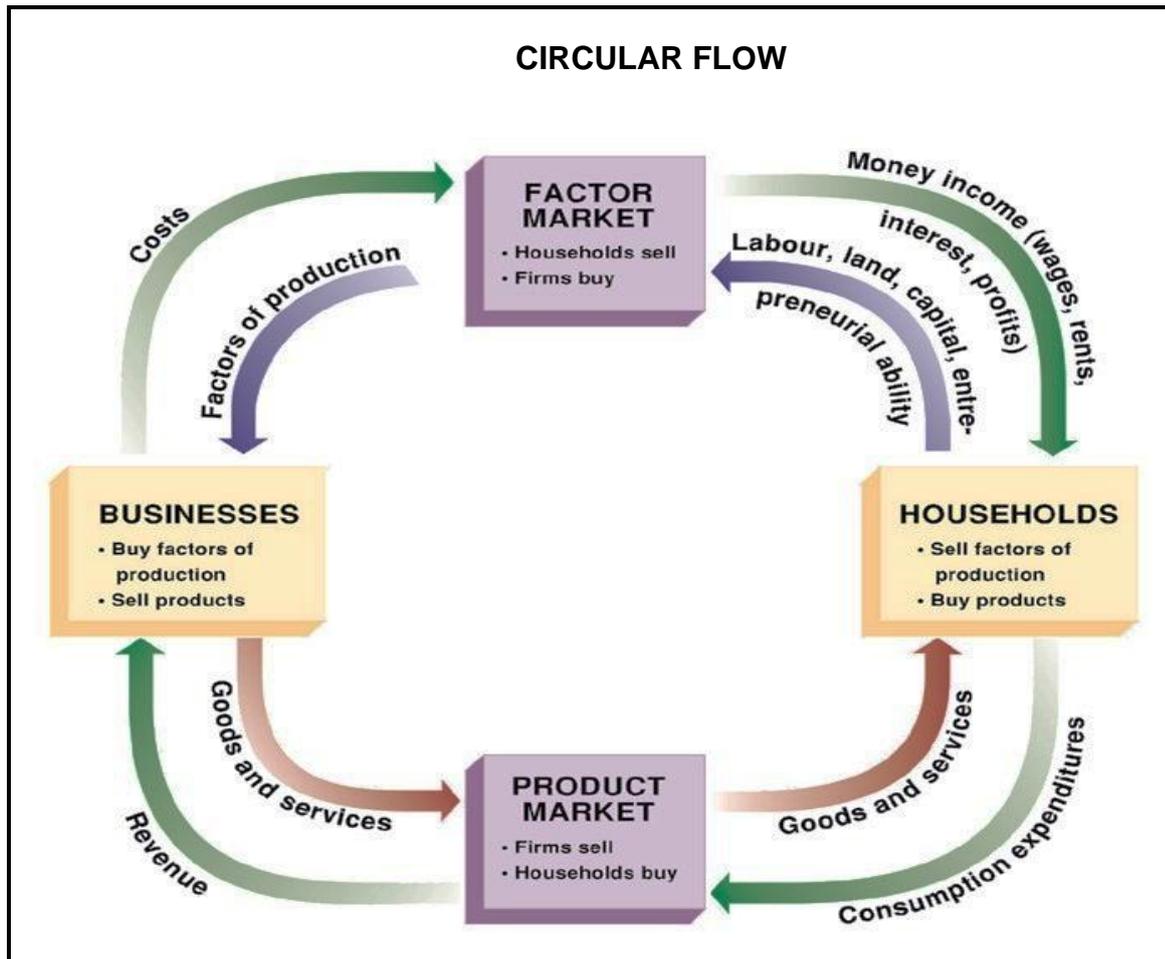
2.2.2 What remuneration will be received by the factor of production above? (1)

2.2.3 Briefly explain the term *production*. (2)

2.2.4 Explain the importance of entrepreneurs in the economy. (2)

2.2.5 How does economic growth lead to economic development? (2 x 2) (4)

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



[Source: [www.google.com](http://www.google.com)]

- 2.3.1 What type of economy is represented in the above diagram? (1)
- 2.3.2 Which participant in the economy will use intermediate goods? (1)
- 2.3.3 Briefly describe the term *circular flow*. (2)
- 2.3.4 Why is it important that the government encourages people to buy more domestically produced products? (2)
- 2.3.5 Briefly describe the role of the household in the above diagram. (4)
- 2.4 Distinguish between *macroeconomics* and *microeconomics*. (2 x 4) (8)
- 2.5 Evaluate the effects of the business cycle on the economy. (8)

**[40]**

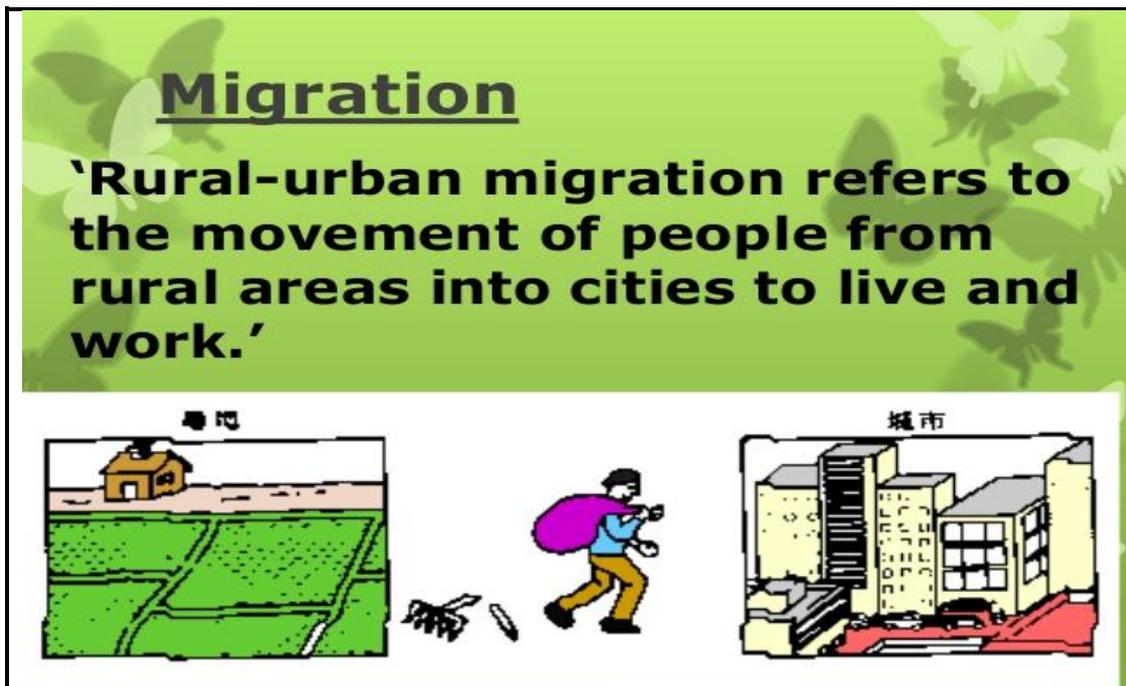
**QUESTION 3: ECONOMIC PURSUITS****40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

3.1.1 Name any TWO banking institutions in South Africa. (2 x 1) (2)

3.1.2 How can an increased income lead to the development of industries?  
(1 x 2) (2)

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

[Source: [www.google.com](http://www.google.com)]

- 3.2.1 What negative effect can migration have on the economy? (1)
- 3.2.2 Why do people migrate to urban areas? (1)
- 3.2.3 Briefly describe the concept *urban migration*. (2)
- 3.2.4 How will the net migration influence the South African economy? (2)
- 3.2.5 In your opinion, why is it important for the government to know the population growth rate in the country? (4)

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

**THE TRADITIONAL LIFESTYLE**

Nomadic communities consisted of nomadic societies. These societies were known as hunter-gatherers. They moved into an area, used all the available resources and when there was no longer enough food, they moved to another area.

[Source: [www.google.com](http://www.google.com)]

- 3.3.1 Which stage of economic development is depicted in the above information? (1)
- 3.3.2 Name ONE activity that was practised by these groups of people? (1)
- 3.3.3 Briefly describe the concept *nomadic lifestyle*. (2)
- 3.3.4 What makes traditional societies self-sufficient? (2)
- 3.3.5 How were skills transferred during the traditional stage? (4)
- 3.4 List and explain any TWO factors that hampered economic development in South Africa during the agricultural and mining stage. (2 x 4) (8)
- 3.5 Evaluate the impact of HIV/Aids on the South African Economy. (8)
- [40]**

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

4.1 Answer the following questions.

4.1.1 Name TWO types of scarcity. (2 x 1) (2)

4.1.2 Why is the consumption of goods and services important in the economy?  
(1 x 2) (2)

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

<b>Value added in R (Millions)</b>	<b>2016</b>
Primary sector	141 906
Secondary sector	373 024
Tertiary sector	1 124 555
Gross value added at basic prices	1 639 485
Taxes on products	312 863
Subsidies on products	19 106
<b>Gross domestic products @ market prices</b>	<b>A</b>

4.2.1 Which method is used to calculate the GDP in the table above? (1)

4.2.2 Identify the sector that contributed least to the GDP above. (1)

4.2.3 Briefly describe the concept *Gross Domestic Product*. (2)

4.2.4 How can the South African government use tax to stimulate the economy? (2)

4.2.5 Calculate the GDP at market prices (A). Show all calculations. (4)

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

**Indigenous knowledge can help researchers solve crises**

African researchers have been urged to seek inspiration from indigenous knowledge and innovation systems instead of modern commercial methods in order to make headway in solving the continent's developmental problems.

An example of the successful application of African indigenous knowledge is the mixed cropping system used by various communities in East Africa. In Chad, local farmers had been using an indigenous rain-fed irrigation system to successfully grow crops in parched desert lands, but the method was unsuccessfully replaced by modern commercial irrigation methods.

In order to establish positive research outcomes in Africa, there is an urgent need to integrate Western research techniques with life-transforming indigenous knowledge in different fields of human endeavour, in order to increase innovation and creativity across the continent.

[Source: Adapted from *University of the World news*]

- 4.3.1 What is an example of an African indigenous farming method mentioned above? (1)
- 4.3.2 Identify the ancient method used in Chad to grow successfully crops. (1)
- 4.3.3 Briefly describe the concept *indigenous knowledge systems*. (2)
- 4.3.4 Why is indigenous knowledge important in our lives? (2)
- 4.3.5 Explain why farming is important as an economic activity. (4)
- 4.4 Differentiate between *free* and *economic goods*. (2 x 4) (8)
- 4.5 Discuss the impact of strikes on the economy. (8)
- [40]**

**TOTAL SECTION B: 80**

**SECTION C**

Answer 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>
<p><b>Introduction</b></p> <ul style="list-style-type: none"> <li>• A good starting point would be to define a concept or key word that appears in the question.</li> <li>• Include additional information to support the topic.</li> <li>• Do not include any part of the question in your introduction.</li> <li>• Do not repeat any part of the introduction in the body.</li> <li>• Avoid saying in the introduction what you are going to discuss in the body.</li> </ul>	Max. 2
<p><b>Body:</b></p> <p><b>Main part:</b> Discuss in detail / In-depth discussion / Examine / Critically discuss / Analyse / Compare / Evaluate / Distinguish / Differentiate / Explain / Assess / Debate</p> <p><b>Additional part:</b> 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><b>Conclusion</b></p> <ul style="list-style-type: none"> <li>• The conclusion is a wrap-up of the discussion of the topic in the body and should be treated as a higher order response.</li> <li>• The conclusion can take the form of an own opinion, examples to support your discussion or contradictory viewpoint from what has been discussed.</li> <li>• No aspect from either the introduction or body should be included in the conclusion.</li> </ul>	Max. 2
<b>TOTAL</b>	<b>40</b>

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

Every country experiences cyclic patterns in its economy.

- With the aid of a diagram discuss the phases / stages of a business cycle. (26 marks)
  - Explain the endogenous reason (Keynesian theory) for business cycles. (10 marks)
- [40]**

**QUESTION 6 ECONOMIC PURSUIT****40 MARKS – 40 MINUTES**

Discuss Phase 4: Manufacturing and services stage (1994 to date) in the history of South African economic growth and development under the following sub-headings:

- Characteristics (8 marks)
- Factors that contributed to economic development (9 marks)
- Economic consequence (9 marks)

Evaluate the factors that hampered the economic development of manufacturing and services.

(10 marks)  
**[40]**

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