



AEQUAM SERVARE MENTEM

**SASTRI COLLEGE**

**ECONOMICS**

**MARCH CONTROLLED TEST 2020**

**GRADE: 12**

**MARKS: 100**

**TIME: 1 ½ HOURS**

**This question paper consists of 9 pages**

**INSTRUCTIONS AND INFORMATION**

1. Answer THREE questions as follows:
  - SECTION A: COMPULSORY
  - SECTION B: Answer any ONE question from this section.
  - SECTION C: Answer any 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 each question above each answer.
4. Read the questions carefully and start EACH question on a new page.
5. Leave at least ONE line between subsections of each question.
6. Start each question on a new page.
7. Answer 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 blue or black ink.
10. Non-programmable pocket calculators may be used.
11. Write legibly and present your work neatly.

SECTION A

QUESTION 1 COMPULSORY

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 1.1.6 D

1.1.1 The value of the multiplier increases if the marginal propensity to ... increases.

- A save
- B invest
- C debit
- D consume

1.1.2 Indicators that reach the turning point before the economy reaches the turning point.

- A composite
- B lagging
- C co-incident
- D leading

1.1.3 The government's medium-term expenditure framework (MTEF) provides an outline for ... years.

- A two
- B three
- C four
- D five

1.1.4 A statement of all money transactions for a country with the rest of the world is called ...

- A the savings account
- B the budget
- C Balance of payments
- D Transfer account

1.1.5 One of the supply reasons for international trade is ...

- A tastes and preferences
- B climatic conditions
- C change in income
- D migration of people

(5 x 2) (10)

Please Turn Over

- 1.2 Choose a description from COLUMN B that matches the 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 Injection	A. Is the reasonable division of income among the population.
1.2.2 Phillip's curve.	B. The state of an economy in which one can be made better-off without making someone being made worse-off.
1.2.3 Residual items	C. Decision by the government to deliberately decrease the value of the currency.
1.2.4 Economic equity	D. Refers to the flow of money in the economy
1.2.5 Devaluation	E. illustrates the relationship between unemployment and inflation.
1.2.6 Pareto efficiency	F. Money received without any productive service rendered.
	G. Balancing figure in the calculation of Gross Domestic Product.

(6x 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 and abbreviations will NOT be accepted.

- 1.3.1 The nominal GDP after it has been adjusted for price increases.
- 1.3.2 A situation where one country has a relative advantage in the production of goods and services.
- 1.3.3 A document that details expected revenue and projected expenditure.
- 1.3.4 A market where currencies are traded.

(4 x 1) (4)

**TOTAL SECTION A: [20]**

Please Turn Over

**SECTION B**

Answer ONE question in this section.

**QUESTION 2**

**2.1 Answer the following questions.**

2.1.1 Name any TWO categories of consumer goods that are purchased by households. (2 x 1) (2)

2.1.2 How can the South African Reserve bank use money supply to stimulate the economy? (1 x 2) (2)

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

<b>EXPENDITURE ON GDP</b>	
<b>NATIONAL ACCOUNT AGGREGATES</b>	<b>R MILLIONS</b>
Final consumption expenditure by households	2 754 178
Final consumption spending by government	964 973
Gross capital formation	871 601
Residual item	3 419
<b>Gross Domestic Expenditure</b>	<b>4 584 171</b>
Exports of goods and services	1 357 974
Imports of goods and services	1 288 461
<b>Expenditure on GDP at market prices</b>	<b>A</b>

Source: SARB Quarterly bulletin, August 2017

2.2.1 Which method of calculating the national income is used on the above table? (1 x 2) (2)

2.2.2 Briefly describe the *System of National Accounts*. (1 x 2) (2)

2.2.3 How can the GDP be converted to GNP? (2)

2.2.4 Calculate the value of A. (Show ALL calculations) (4)

**2.3 Study the extract below and answer questions that follow.****SOUTH AFRICA AND INDIA MEET TO STRENGTHEN TIES**

South Africa and India convened the Foreign Office Consultations on 18 January 2018 in New Dehli, India. The Consultations form part of the structured mechanism which governs bilateral relations between the two countries. This mechanism comprises a Joint Ministerial Commission (JMC) and the Foreign Office Consultations (FOC).

South Africa and India also committed at the meeting to strengthen bilateral relations in 2018, specifically in the areas of trade, foreign direct investment, tourism and people-to-people contact, also considering that in 2018, twenty five years of the establishment of diplomatic relations are being celebrated by both countries.

**Source: APO Group, 19 January 2018**

- 2.3.1 Identify South Africa's trading partner mentioned in the extract above. (1)
- 2.3.2 Name ONE focus area of the Foreign Office Consultation. (1)
- 2.3.3 Briefly describe the term *foreign direct investment*. (2)
- 2.3.4 What are the benefits of trade between countries? (1 x 2) (2)
- 2.3.5 Briefly discuss how specialisation can affect international trade. (2 x 2) (4)
- 2.4 Briefly discuss the importance of the *foreign exchange market* and the *product market* in the circular flow. (4 x 2) (8)
- 2.5 How can exchange controls be used as a measure to correct the balance of payments? (4 x 2) (8)

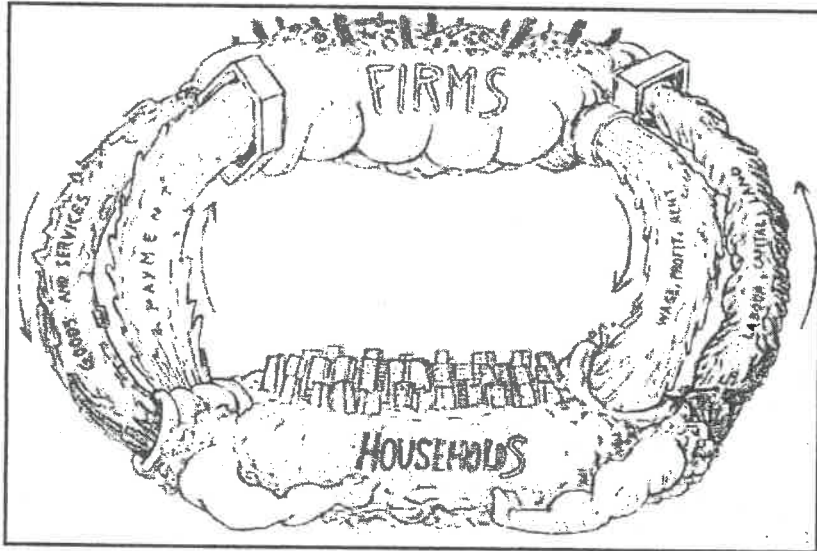
**QUESTION 3**

**3.1 Answer the following questions.**

3.1.1 Name any TWO components that are used when deriving the multiplier. (2 x 1) (2)

3.1.2 How will the depreciation in the value of the currency affect households? (1 x 2) (2)

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



3.2.1 What is depicted on the cartoon above? (1)

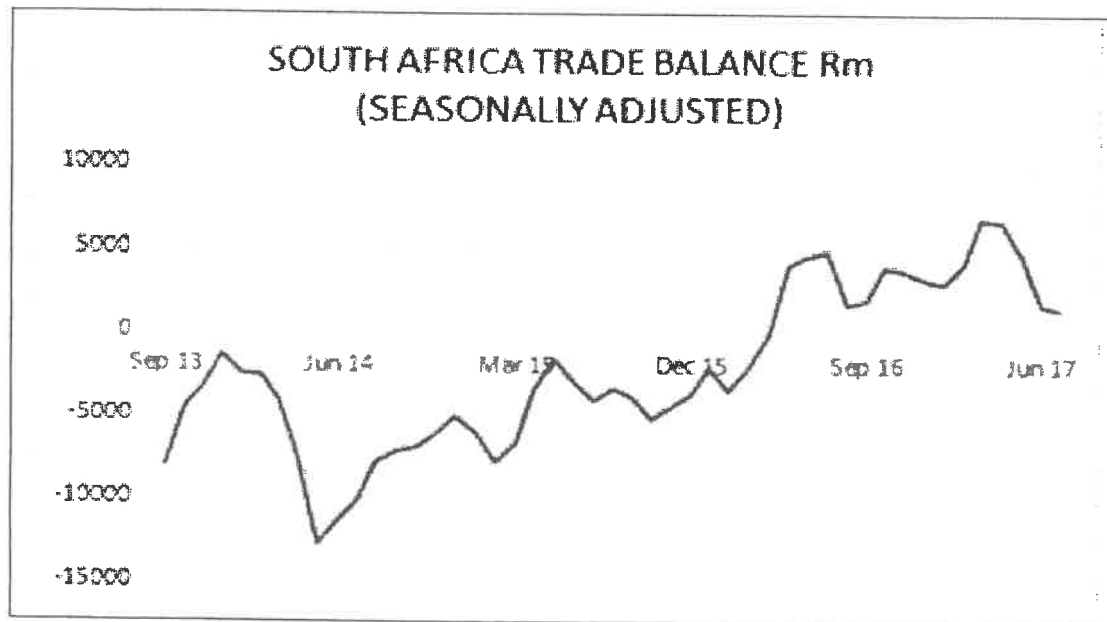
3.2.2 Name ONE participant on the cartoon above. (1)

3.2.3 Briefly describe the economic equilibrium in the above model. (2)

3.2.4 What is the impact of an increase in taxes on households? (2)

3.2.5 Briefly explain the importance of the government in the economy. (2 x 2) (4)

3.3 Study the graph below and answer questions that follow.



3.3.1 What is shown by the above graph above? (1)

3.3.2 When did South Africa experience a negative balance? (1)

3.3.3 Briefly describe *terms of trade*. (2)

3.3.4 Briefly explain portfolio investments. (2)

3.3.5 Briefly explain how an unfavourable balance on the current account has affected South Africans over the years. (2 x 2) (4)

3.4 Distinguish between *nominal* and *real* figures when calculating the GDP. (2 x 4) (8)

3.5 Use a clearly labelled graph to explain how an increase in the number of European tourists visiting South Africa can affect the exchange rate? (8)

**TOTAL SECTION A: [40]**



**SECTION C**

Answer **ONE** question from this section in the ANSWER BOOK

Your answer will be assessed as follows:

STRUCTURE OF ESSAY	MARK ALLOCATION
<b>Introduction</b>	Max. 2
<b>Body:</b>	
<b>Main part:</b> Discuss in detail/In-depth discussion/Examine/ Critically discuss/ Analyse/Compare/ Evaluate/Distinguish/ Differentiate/Explain/Assess/Debate	Max. 26
<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	Max. 10
<b>Conclusion:</b>	Max. 2
Any higher-order conclusion should include: <ul style="list-style-type: none"> <li>• A brief summary of what has been discussed without repeating facts already mentioned in the body</li> <li>• Any opinion or valued judgement on the facts discussed</li> <li>• Additional support information to strengthen the discussion/analysis</li> <li>• A contradictory viewpoint with motivation, if required</li> </ul>	
<b>TOTAL</b>	<b>40</b>

**QUESTION 4**

- Discuss demand and supply-side policies that are used to smooth business cycles. (26)
  - Use a clearly labelled graph to explain the effects of demand and supply-side policies (10)
- [40]**

**QUESTION 5**

- Discuss the main objectives of the public sector. (26)
  - How has the South African government succeeded in making public servants more accountable to the public? (10)
- [40]**

**SECTION C: 40**

**TOTAL MARKS: 100**



AEQUAM SERVARE MENTEM

SASTRI COLLEGE  
MARCH CONTROLLED TEST 2020  
BUSINESS STUDIES  
GRADE 10

EXAMINER: MISS J BOODHRAM  
TIME: 1.5 HOURS

MODERATOR: MISS BS PATEL  
MARK: 100

**INSTRUCTIONS:**

1. THIS EXAMINATION QUESTION PAPER CONSISTS OF THREE SECTIONS A, B AND C.
2. ALL SECTIONS ARE COMPULSORY.
3. WRITE NEATLY AND LEGIBLY.

**SECTION A**

**QUESTION 1**

**1.1 MULTIPLE CHOICE QUESTIONS. WRITE ONLY THE NUMBER AND CORRECT LETTER NEXT TO THE NUMBER: EXAMPLE 1.1.6 E**

1.1.1 Physical environment refers to:

- a) Human resources
- b) Technological resources
- c) Capital
- d) Equipment and raw material

1.1.2 The exporting section of Yum Yum Ltd would fall in the .... Business environment.

- a) Micro
- b) Market
- c) Macro
- d) Business

1.1.3 When a business owner applies to the bank for permission to pay more funds from his or her bank account than is available, he or she is applying for an/a.... which he will pay back over a set period of time.

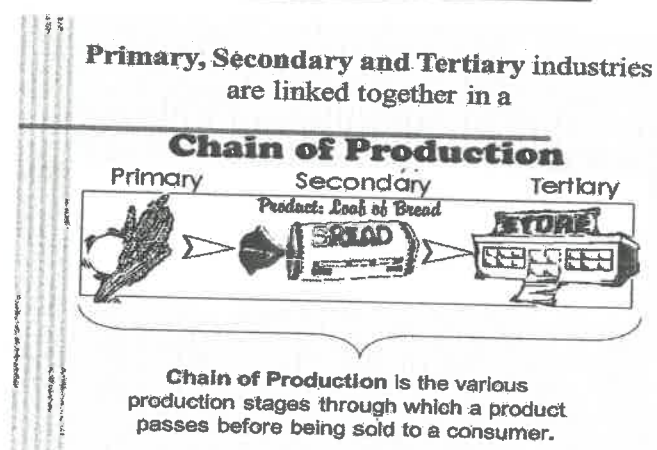
- a) Overdraft
- b) Grant
- c) Loan
- d) Equity

1.1.4 The availability of roads, railways, water and electricity refers to ....

- a) Infrastructure
- b) Transport
- c) Good political governance
- d) Natural resources

### QUESTION 3

Study the diagram and answer the questions that follow.



- 3.1 Briefly explain what the informal sector is. Include examples in your answer. (3)
- 3.2 Define the formal sector, include example in your answer. (2)
- 3.3 There are three 3 ways to classify a business. Discuss the primary, secondary and tertiary sector classification and provide examples. (9)
- 3.4 Discuss the public and private sector classifications and provide examples with your discussion. (6)
- (20)

### SECTION C (ESSAYS)

**NOTE:** Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to THIS question must start on a NEW page

#### QUESTION 4

You are appointed as Chief Executive Officer in a new branch of a national company and must do the staff establishment in the different departments.

- Identify the different levels of management and explain the responsibilities of each level.
- Elaborate on the role and importance of planning as a management task. (40)

**OR**

#### QUESTION 5

The economic environment is one of the most important components of the macro business environment.

Explain the importance of the economic environment for the business and describe FIVE factors of the economic environment that affect business. (40)

**TOTAL MARKS: 100**

