GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

GAUTENG DEPARTMENT OF EDUCATION

PROVINCIAL EXAMINATION

NOVEMBER 2016

GRADE 11

ECONOMICS

PAPER 2

MARKS: 150
TIME: 2 hours

14 pages

L4P2

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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 any ONE of the TWO questions.

2. Answer only the required number of questions. Additional answers will NOT be marked. In SECTION B only the first TWO questions will be marked and in SECTION C only the first question will 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 ALL the questions carefully and start EACH question on a NEW page.

6. Leave 2 – 3 lines between sub-sections 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. Use only black or blue ink.

9. Non-programmable pocket calculators may be used.

10. Write neatly and legibly.

SECTION A (COMPULSORY)

QUESTION 1 **30 MARKS – 20 MINUTES**

1.1 Various options are provided as possible answers to the following questions. Choose the correct answer and write only the letter (A – C) next to the question number (1.1.1 – 1.1.8) in the ANSWER BOOK, e.g. 1.1.9 B.

1.1.1 The percentage change in the quantity demanded of a good, divided by the percentage change in the price of the substitute, or complement is called the ....

A price elasticity of demand.
B price elasticity of supply.
C cross elasticity of demand.

1.1.2 Perfect competition sells ... products

A heterogeneous
B homogeneous
C differentiated

1.1.3 The more a variable input is used, while all the other inputs are being kept the same, then each additional unit of the variable input will eventually produce less additional output. This is called ...

A the law of demand.
B the law of diminishing returns.
C marginal cost.

1.1.4 An individual firm in perfect competition can only hope to make ... profit in the long run.

A economic
B normal
C total

1.1.5 What is a multinational corporation?

A It is situated north of the Brandt Line.
B It forms multilateral agreements.
C It sells products in several countries.

1.1.6 Households that depend on ... are bound to live in poverty.

A social grants
B tax incentives
C government paid salaries

1.1.7 Our environment policy is coordinated by the Department of …

A Finance.
B Trade and Industry.
C Environmental Affairs and Tourism.

1.1.8 When natural habitats are destroyed and natural resources are depleted, we can say that ... takes place.

A environmental deterioration
B sustainability
C pollution (8x2) (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 Price taker	A This causes the temperature of the earth to increase.
1.2.2 Monopolistic competition	B Falling average costs as the costs are divided over more units of output
1.2.3 Stakeholders	C Changing of laws, regulations or customs regarding land ownership
1.2.4 Economies of scale	D People with an interest in the success of the business
1.2.5 Land reform	E The process in which the number of people living in rural areas decreases and they move into and live in cities
1.2.6 Extended Public Works Programme (EPWP)	F A combination of perfect and imperfect competition
1.2.7 Greenhouse gases	G Temporary work opportunities created for the unemployed, using public sector expenditure
1.2.8 Urbanisation	H The market price is determined by the forces of demand and supply.
	I Controls the price of the product and tends to set the price for its own benefit

(8x1) (8)

QUESTION 6: CONTEMPORARY ECONOMIC ISSUES 40 MARKS – 40 MINUTES

All countries take part in international trade, some more successfully than others.

- Discuss in detail the advantages that a country has and should use, to produce goods and services in an international market. (26 marks)

- In which way is South Africa negatively affected by the North/South divide? (1

END