 Province of the

EASTERN CAPE

EDUCATION

**DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)**

**HOME SCHOOLING SELF- STUDY ANSWER SHEET**

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| **SUBJECT** | **ECONOMICS** | **GRADE** | 10 | **DATE** | 22/04/2020 |
| **TOPIC** | **MACROECONOMICS MARKS: 40** | **TERM 1**  **REVISION** | X | **TERM 2 CONTENT** |  |

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|  | **QUESTION 1 MACROECONOMICS** | |  |
| 1.1 |  |  |  |
|  | 1.1.1 | **List any two elements of economics** |  |
|  |  | * Scarcity 🗸 * Choices 🗸 * Efficiency * Equity 🗸 (2x1) | (2) |
|  | 1.1.2 | **Why is specialisation important in a business?** |  |
|  |  | * Resources are concentrated in the production of a single product It reduces the cost of production for the business 🗸🗸 (1x2) | (2) |
|  |  |  |  |
| 1.2 | **Data response** | |  |
|  | 1.2.1 | * Closed economy🗸 | (1) |
|  | 1.2.2 | What is the primary participant in the economy? |  |
|  |  | * Households🗸 | (1) |
|  | 1.2.3 | **Differentiate between money flow and real flow** |  |
|  |  | **Real flow**   * It is the flow of goods and services, factors of production among participants in the economy. 🗸🗸 * Factors of production flow from the owners (households) to producers via factor market. 🗸🗸 * Goods and services flow from the producers via the goods market to households and other users. 🗸🗸 * Factors of production and goods and services flow from foreign countries to South Africa (imports). 🗸🗸 * Factors of production and goods and services flow from South Africa to foreign countries (exports) 🗸🗸   **Money flow**   * is the flow of money in the form of income and expenditure among the participants in the economy🗸🗸 * Factor remuneration represents the expenditure of producers and the income of households🗸🗸 * (wages, rent, interest and profit) * The consumption expenditure represents the expenditure of households and the income of producers. 🗸🗸 (2X2) | (4) |
|  | 1.2.4 | **How can an injection benefit the South African economy?** | (4) |
|  |  | * An injection, such as an increase in exports, investment or government spending increases total spending in the   economy. 🗸🗸   * This causes an increase in production, which in turn increases income. 🗸🗸 * The increase in income then causes an increase in consumption spending by economic participants. 🗸🗸 * This increase in spending leads to further increase in production, which increases income again, and a process of an increase in spending, production and income continues. 🗸🗸 |  |
|  |  |  |  |
| 1.3 | **DATA RESPONSE** | |  |
|  | 1.3.1 | **Mention two career opportunities in the field of economics** |  |
|  |  | * Information Technology🗸 * Law🗸 * Politics🗸 * Human resource 🗸   (Any other relevant) (1x2) | (2) |
|  |  |  |  |
|  | 1.3.2 | **Distinguish between a positive and a normative statement** |  |
|  |  | **Positive statement**   * It is the one that deals in fact🗸🗸 * It can be proved or disproved by looking at the data and the facts available. 🗸🗸 * Are used to make scientific statements about the economy which can be proven 🗸🗸   **Normative statement**   * It is opinion or value judgment. 🗸🗸 * These statements can be debated or argued, but cannot be settled by looking at facts. 🗸🗸 * Concerned more with policies. 🗸🗸  **(2x2)** | (4) |
|  |  |  |  |
|  | 1.3.3 | **Why is equity important in the economy?** |  |
|  |  | **Equity promotes**:   * equal employment opportunities for all🗸🗸 * affirmative action🗸🗸 * fairness 🗸🗸 (2x2) | (4) |
| 1.4 | **Explain the use of economic models by economists.** | |  |
|  | Since economic activities are complex, economic models are used to:   * understand how the economy works. 🗸🗸 * make forecasts. 🗸🗸 * make simplifications of reality for improved understanding. 🗸🗸 * study and examine economic issues. 🗸🗸 Any relevant (4x2) | | (8) |
|  |  | |  |
| 1.5 | How has the South African government addressed the delivery of basic services to improve the standard of living? | |  |
|  | The South African government addressed the delivery of basic services by:   * providing food as a basic need hence school feeding schemes. 🗸🗸 * subsidising houses and building shelters. 🗸🗸 * improving access to health services – free medical facilities for those who cannot afford private medical care. 🗸🗸 * providing all children, a right to education – no fee quintile education   system. 🗸🗸   * improving a supply of running water and sanitation. 🗸🗸   (Any other correct relevant response) (4x2) | | (8) |
|  |  |  | **[40]** |
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