



Province of the  
**EASTERN CAPE**  
EDUCATION

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

**HOME SCHOOLING SELF-ANSWER SHEET**

<b>SUBJECT</b>	<b>ECONOMICS</b>	<b>GRADE</b>	<b>12</b>	<b>DATE</b>	<b>08/07/2020</b>
<b>TOPIC</b>	<b>CONTEMPORARY ECONOMIC ISSUES</b>	<b>TERM 1 REVISION</b>		<b>TERM 3 CONTENT</b>	<b>x</b>

**QUESTION 1 CONTEMPORARY ECONOMIC ISSUES**

**40 MARKS – 30 MINUTES**

**NSC DBE/Nov 2019**

**1.1 Answer the following questions.**

**1.1.1 Give TWO reasons for growth in the tourism industry in South Africa.**

- weak exchange rate ✓
- the world in one country ✓
- peaceful transition to democracy ✓
- the pleasant climate ✓
- relaxation of VISA regulations ✓  
(Accept any other correct relevant response)

(2 x 1) **(2)**

**1.1.2 Why is core inflation lower than headline inflation?**

- Core inflation excludes products with volatile prices while headline inflation includes them ✓✓

**(2)**

(Accept any other correct relevant response)

(1 x 2)

**1.2 DATA RESPONSE.**

**1.2.1 Where did most inbound tourists come from during 2017?**

Europe ✓

**(1)**

**1.2.2 What was the percentage increase of tourists from the Middle East?**

6.2% / 151% ✓

**(1)**

**1.2.3 Briefly describe the term business tourism.**

Visiting a place for the purpose to attend meetings and conferences ✓✓

(Accept other correct relevant responses)

**(2)**

**1.2.4 Why is job creation easy in the tourism industry?**

- It is labour intensive ✓✓
- Employs many skills ✓✓
- Provides immediate employment ✓✓
- Provides entrepreneurial opportunities ✓✓

(Accept any other correct relevant response)

**(2)**

**1.2.5 What should the government do to promote tourism?**

(2 x 2)

Government should:

- drive a strong marketing campaign in foreign countries to sell the beauty and uniqueness of the country ✓✓
- improve the security system of the country to safeguard the stay of tourists ✓✓
- provide a market with a diversity of products and leisure ✓✓
- maintain and upgrade infrastructure ✓✓ for example tarred roads / accommodation ✓
- improve social infrastructure such as clinics and availability of ambulances ✓✓

(Accept any other correct relevant responses)

Max

**(4)**

### 1.3 DATA RESPONSE

1.3.1 Which country has the highest population in the world? (1)

China ✓

1.3.2 Identify the environmental problem related to removing of trees and plant life. (1)

Deforestation / loss of biodiversity / erosion ✓

1.3.3 Briefly describe the term biodiversity.

The existence of the generic variety and number of species of animal and plant life in the eco-system ✓✓ (2)  
(Accept any other correct relevant response)

1.3.4 In what way can the Convention on International Trade in Endangered Species (CITES) address the loss of biodiversity?

CITES issues permits and quotas to regulate trade in certain species ✓✓ (2)

(Accept any other correct relevant response)

1.3.5 How can environmental subsidies be used to reduce environmental damage?

The environmental subsidies can be used to reduce environmental damage by:

- developing new techniques or equipment to save energy and reduce smoke ✓✓
- using environmental friendly energy such as wind ✓✓
- encouraging the production of environment-friendly substitutes such as unleaded petrol ✓✓
- encouraging the recycling of waste such as bottles and cans ✓✓
- offering subsidies for companies to lower pollution emissions ✓✓
- Subsidies to provide individuals to install solar panels to their households to decrease electricity consumption ✓✓

(Accept any other correct relevant responses) (2 x 2) (4)

1.4 Briefly discuss the benefits of tourism for the government and infrastructure. (4 x 2) (8)

GOVERNMENT:

- Tourism contributes to the income of the government through taxes such as airport departure taxes ✓✓

- Taxes are charged to recover external costs which is the amount not included in the price ✓✓
- The amount compensates the host community for providing infrastructure and basic amenities ✓✓
- It is an important foreign exchange earner and boosts the country's foreign exchange reserves ✓✓
- Enables government to achieve its socio-economic objectives of informal sector growth, black economic empowerment and SMME development ✓✓ (Max 4)

#### INFRASTRUCTURE:

- Adequate and well-maintained infrastructure is essential for tourism ✓✓
- The tourists and residents often share the infrastructure ✓✓
- Governments have prioritised maintaining economic infrastructure ✓✓  
(Accept any other correct relevant response) (Max 4)  
(A maximum of 4 marks may be allocated for mere listing of facts/examples)

#### 1.5 How can countries contribute to reducing ocean (sea) pollution?

Countries could contribute towards solving sea pollution by:

- imposing strong penalties on sea pollution because sea-life is destroyed through human action ✓✓
- being pro-active against apathy in managing economic activities such as oil drilling can result in oil spillages which often harm the water species ✓✓
- being involved in the cleaning of increased plastic deposits in the oceans that destroys sea life ✓✓
- educating people on the dangers of the consumption of polluted fish products ✓✓
- monitoring the river-mouths to prevent plastic waste flowing to the sea ✓✓
- educating large shipping companies to use bio-degradable products where possible ✓✓
- following South Africa's example by being a signatory to sea life and management resources ✓✓  
(Accept any other correct relevant response)  
(A maximum of 2 marks may be allocated for mere listing of facts/examples)

**(8)**

**[40]**