



Province of the
EASTERN CAPE
EDUCATION

DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)

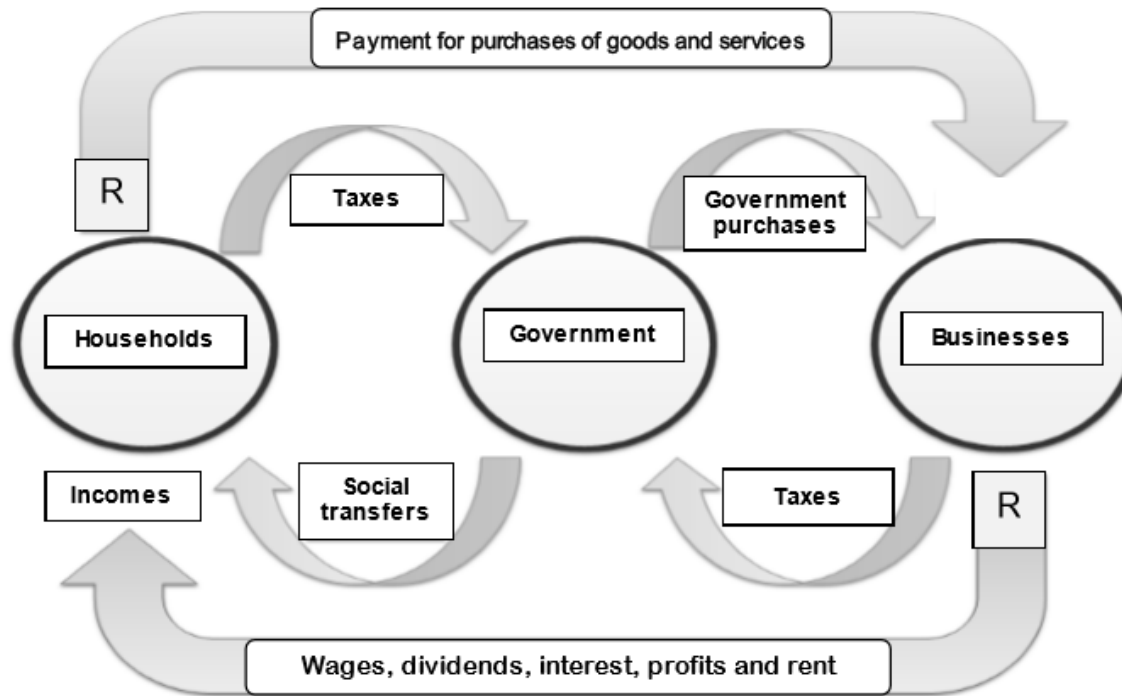
HOME SCHOOLING SELF-STUDY WORKSHEET

SUBJECT	ECONOMICS	GRADE	12	DATE	27/03/2020
TOPIC	MACROECONOMICS	TERM 1 REVISION	X	TERM 2 CONTENT	(Please tick)
TIME ALLOCATION	40 MINUTES	<u>TIPS TO KEEP HEALTHY</u> 1. WASH YOUR HANDS thoroughly with soap and water for at least 20 seconds. Alternatively, use hand sanitizer with an alcohol content of at least 60%. 2. PRACTICE SOCIAL DISTANCING – keep a distance of 1m away from other people. 3. PRACTISE GOOD RESPIRATORY HYGIENE: cough or sneeze into your elbow or tissue and dispose of the tissue immediately after use. 4. TRY NOT TO TOUCH YOUR FACE. The virus can be transferred from your hands to your nose, mouth and eyes. It can then enter your body and make you sick. 5. STAY AT HOME.			
INSTRUCTIONS	INSTRUCTIONS AND INFORMATION 1. Answer ALL questions in the ANSWER BOOK 2. Number the answers correctly according to the numbering system used in this question paper. 3. Write the question number above each answer. 4. Leave 2–3 lines between subsections of questions 5. Write neatly and legibly.				

Question 1

Study the diagram below and answer the questions that follow.

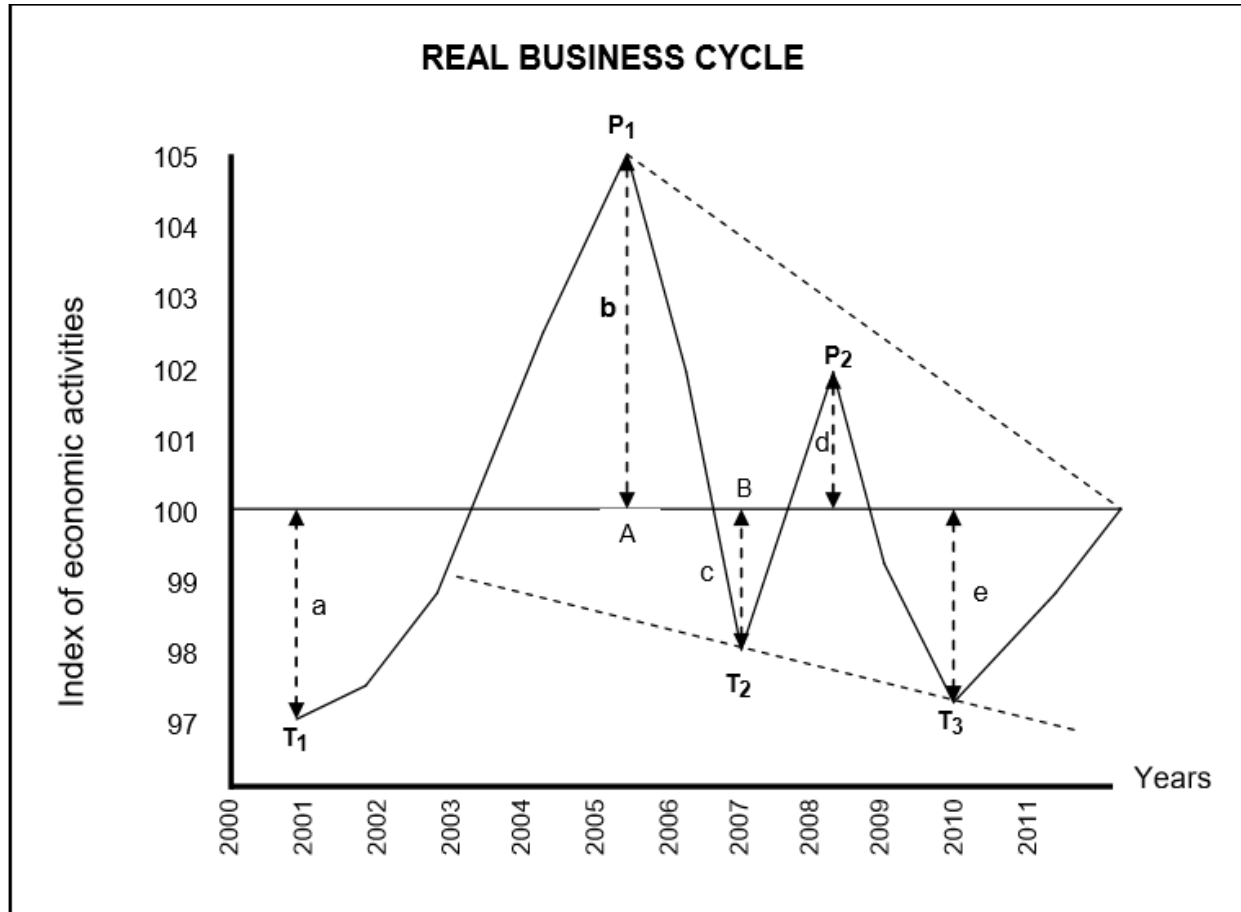
THE CIRCULAR FLOW OF INCOME AND SPENDING



- 1.1 Identify ONE injection in the diagram above. (1)
- 1.2 Name the type of economy portrayed by the above diagram. (1)
- 1.3 Briefly describe the term circular flow . (2)
- 1.4 What is the main objective of social transfers? (2)
- 1.5 Briefly explain the importance of the factor market in the circular flow. (2 x 2) (4) [10] DBE/Feb.–Mar. 2017

Question 2

Study the graph below and answer the questions that follow



2.1 Identify a trough in the business cycle above.

(1)

2.2 During which year was the first business cycle fully completed in the graph above?

(1)

2.3 Briefly describe the term real (actual) business cycle.

(2)

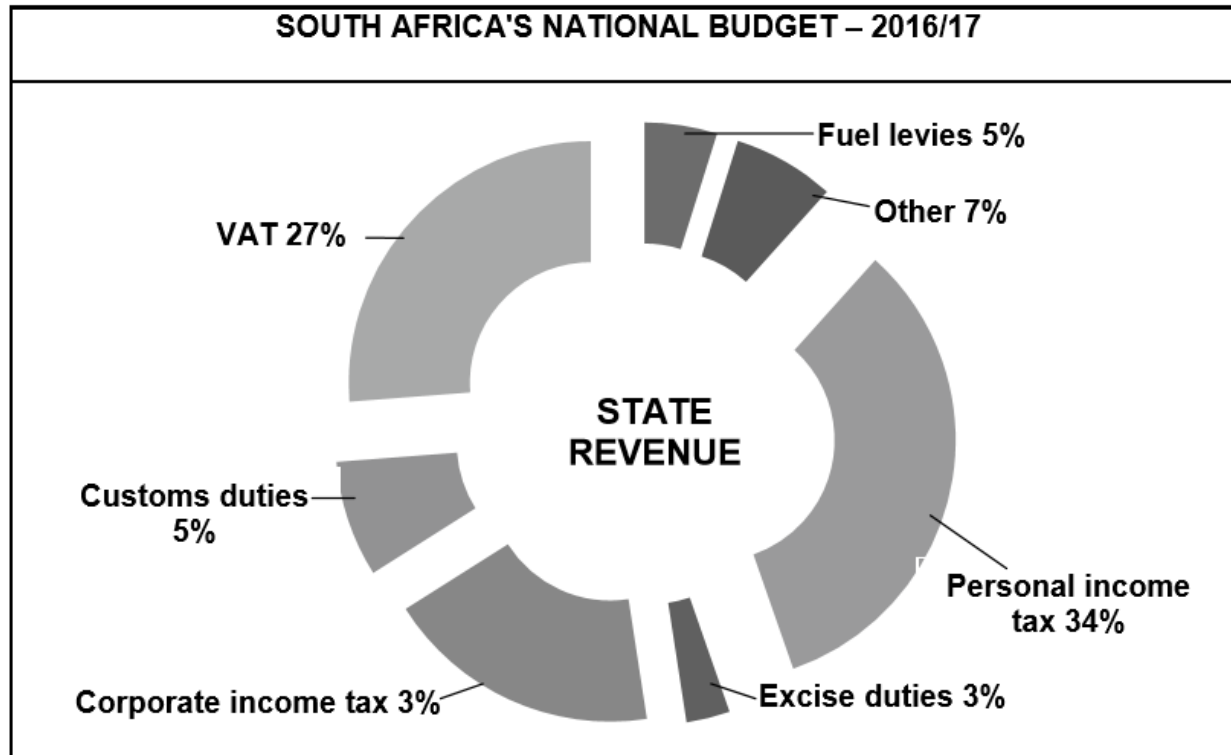
2.4 How can the South African government use government spending as fiscal measure to stimulate the economy? (2)

2.5 How could the South African Reserve Bank have prevented the business cycle from plunging to T3? (2 x 2) (4)

DBE/Feb.–Mar. 2018

Question 3

Study the information below and answer the questions that follow.



[Adapted from the 2016 Budget Speech]

3.1 Identify ONE form of an indirect tax in the information above. (1)

3.2 What type of tax will contribute most to state revenue during the 2016/17 financial year? (1)

3.3 Briefly describe the term budget. (2)

3.4 Give ONE reason why the government increased taxation (excise duties) on demerit goods during the 2016/17 financial year.(2)

3.5 How will an increase in corporate income tax impact negatively on economic growth? (2 x 2) (4)

[10]

SCE DBE/201

Question 4: Study the table below and answer the questions that follow.

CURRENT COMPOSITION OF THE SOUTH AFRICAN BALANCE OF PAYMENTS (BOP) – 2016	
1. Current Account	(R millions)
Merchandise exports	276 349
+ Net gold exports	13 777
+ Services receipts	49 728
+ Income receipts	21 176
Less merchandise imports	270 258
Less payment for services	54 905
Less income payments	48 420
Current transfers (net receipts)	-6 555
Balance on Current Account	-19 108
Memo item: Trade Balance	(A)
2. Capital Transfer Account	57
Net lending to (+) or borrowing from (-) rest of the world	-19 051
3. Financial Account	
Net direct investments	2 184
Net portfolio investments	30 601
Net financial derivatives	-9 022
Net other investments	-19 830
Reserve assets	1 191
Balance on Financial Account	5 124
Memo item: Balance on financial account excluding reserve assets	3 933
Unrecorded transactions	13 927

[Source: SARB – Quarterly Bulletin, September 2016]

4.1 Which subaccount in the balance of payments above includes reserve assets? (1)

4.2 Which institution is responsible for the publishing of the balance of payments? (1)

4.3 How can South Africa ensure a net inflow of capital?

(2 x 2) (4)

4.4 Use figures in the table above to calculate the trade balance (A). Show ALL calculations.

(2 x 2) (4) [10]

DBE/November 2017

TOTAL MARKS [40]