Section A

Question 1

Choose the correct answer and **underline**.

1.1 The current Minister of Finance is South Africa is ..... (2)

A Lesetja Kganyago
B Pravin Gordhan
C Gilll Marcus
D Nhlanhla Musa Nene

1.2 Into which factor of production would machinery, equipment and money fit? (2)

A Capital
B Labour
C Capital and Labour
D None of the above

1.3 Which of the following happens in a mixed economy? (2)

A The range of goods and services offered is limited.
B There is a combination of features of market economies and planned economies.
C Certain goods and services (such as welfare, protection and defense services) are not provided.
D The state owns and controls the factors of production.

1.4 Which of the following is the defining feature of a planned economy? (2)

A Economic freedom
B Central planning of all economic activity
C Individual ownership and control of the factors of production
D The profit motive

1.5 The function of the reserve bank is ... (2)

A Producing bank notes and coins
B Controls the amount of money that is in circulation
C Share the right to change the VAT %.
D Holds fund of households.

1.6 During which month does the Minister of finance deliver the budget speech? (2)

A June
B December
C February
D January

1.7 The governor of the SARB is... (2)

A Maria Ramos
B Lesetja Kganyago
C Pravin Gordhan
D Gill Marcus

1.8	Give the meaning of the following abbreviations:	7

VAT-

FOP-

GNP-

GDP-

DTI-

SARB-

SARS-

	21

Question 2

Choose the correct description from **COLUMN B** to match with a concept in **COLUMN A.** Write only the letters (A–H) next to each Question number

	Column A	**Column B**	**Answer**
2.1	Services on offer by DTI's includes.....	A. Company Tax	2.1
2.2	Economy where there is no foreign trade.	B. Iscor pension fund	2.2
2.3	Policy with regards to income and expenditure of the state	C. Closed economy	2.3
2.4	Taxes paid by companies on their profits.	D. Repo rate	2.4
2.5	The interest rate the SARB will charge for credit due to shortfall, is called the....	E. Fiscal policy	2.5
2.6	Financial institution could be	F. Leakage	2.6
2.7	Tax paid on the profits made by the selling of assets.	G. Capital Gain Tax	2.7
2.8	The withdrawal of money from the circular flow of income and spending is called a	H. Unit trusts	2.8

	16

Section B

Question 3

Study the cartoon below and answer the questions that follow:

3.1	Which economic system is being referred to in the cartoon above? Name and explain the economic system.	4

Economic system:

Explanation:

3.2	Name and explain **two** other economic systems.	4

Economic system 1:

Explanation 1:

Economic system 2:

Explanation 2:

3.3	Name the economic system that South Africa uses and evaluate the positive influence on South Africa by mentioning two advantages of this system.	3

Economic system:

Advantage:

3.4	The economic cycle is characterized by peaks and troughs. Demonstrate by drawing a graph and explain the four stages.	11

Graph:

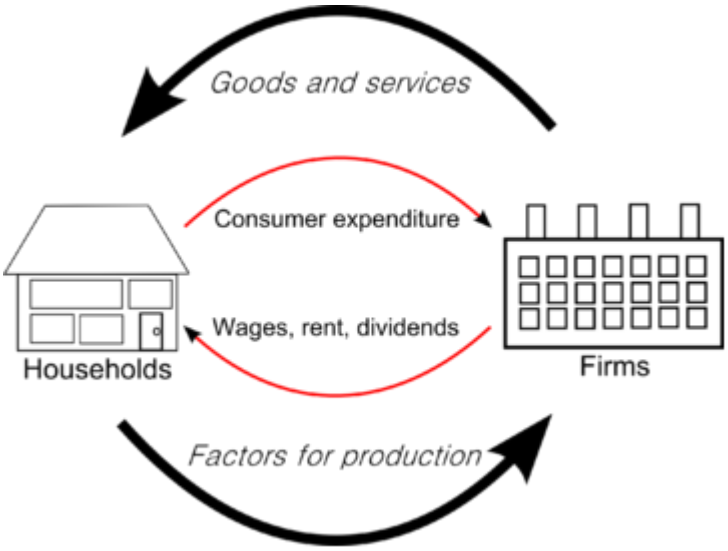
Four stages:

3.5	SARS is administratively autonomous of the state. What is the main function of SARS?	5

	27

Question 4

Study the picture below and then answer the questions that follow:



4.1	Who are the role-players in the economy?	3

4.2	Resources are scares and have to be used thriftily. Name the four factors that are being used in the production of goods and serves and give an explanation of each.	8

4.3	What is the difference between a Trade policy and Monetary policy? Who controls these policies?	4
Difference: Who controls:		

4.4	What is the difference between a Recession and a Depression?	4

Recession:

Depression:

	19

Question 5

Read the article below and then answer the questions that follow

Mariannhill erupts over poor service delivery

2015-04-21 10:39
Giordano Stolley and Amanda Khoza, News24

Durban - About 1 000 residents from the Luganda settlement in Durban's Mariannhill area took to the streets on Tuesday morning to protest **against poor service delivery**.

Police used teargas to disperse the angry residents, some of whom set alight the Luganda Community Resource Centre. The road was strewn with rocks and debris and protesters were burning tyres.

Police had to call in reinforcements and by 10:00 there was an uneasy stand-off as the public order policing unit and metro police kept control of the area around the burning hall. Police brought in the water cannon and used it to douse the flames of the burning hall.

Several women complained that when the municipality did deliver water by tanker they received dirty water that made them and their children sick.

Ward 13 councillor Mduduzi Gumede told News24 he has informed the municipality about the community's grievances. He said a community meeting will be held at the Luganda sport's stadium on Sunday.

5.1	What is meant with "service delivery" (par 1)?	2

5.2	Government is an important participant in the circular flow of goods and services in the Economy. Discuss in detail the relationship between citizens of a country and the government.	1

5.3	Identify in the article above how Government failure took place, and evaluate the implications of that on a municipality such as Mariannhill.	4

5.4	Did the municipality new about the community's grievances? Give proof for you answer.	2

5.5	The government plays a role in South African economy. One such a role is to promote the social welfare of the Nation. Name two other roles the government plays in the economy.	2

5.6	Do you think that the community reacted in the “right” way? Give a reason for your answer.	3
Yes or No Reason:		

5.7	Name three things the police did to keep the community under control.	3

	17

Total: 100