



Province of the  
**EASTERN CAPE**  
EDUCATION

Iphondo leMpuma Kapa: Isebe leMfundo  
Provinsie van die Oos Kaap: Departement van Onderwys  
Porafensie Ya Kapa Botjhabela: Lefapha la Thuto

# **NATIONAL SENIOR CERTIFICATE**

**GRADE 11**

**NOVEMBER 2024**

**ECONOMICS P2**

**MARKS: 150**

**TIME: 2 hours**



This question paper consists of 13 pages.

**INSTRUCTIONS AND INFORMATION**

1. Answer FOUR questions as follows in the ANSWER BOOK:
  - SECTION A: COMPULSORY
  - SECTION B: Answer TWO of the three questions.
  - SECTION C: Answer ONE of the two questions.
2. Number the answers correctly according to the numbering system used in this question paper.
3. Write the number of the question above each answer.
4. Read the questions carefully and start EACH question on a NEW page.
5. Leave 2–3 lines between subsections of questions.
6. 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.
7. Answer only the required number of questions. Answers in excess of the required number will NOT be marked.
8. Use only black or blue ink.
9. You may use a non-programmable pocket calculator.
10. Write neatly and legibly.

**SECTION A (COMPULSORY)****30 MARKS – 20 MINUTES****QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question numbers (1.1.1 to 1.1.8) in the ANSWER BOOK, for example 1.1.9 D.

1.1.1 A perfect market firm maximises its ... when  $MC=MR$ .

- A revenue
- B profits
- C costs
- D expenses

1.1.2 An oligopolist is faced with a ... demand curve.

- A kinked
- B upward sloped
- C horizontal
- D vertical

1.1.3 A ... relationship exists between the price of a good and quantity demanded of its substitute.

- A positive
- B negative
- C zero
- D neutral

1.1.4 Costs that change as output varies.

- A Fixed costs
- B Total fixed costs
- C Marginal costs
- D Variable costs

1.1.5 Resources that may become exhausted if they are not managed sustainably are known as ... resources.

- A renewable
- B non-renewable
- C finite
- D man-made

1.1.6 Knowledge that has practical application for the daily survival of local communities.

- A Historical knowledge
- B General knowledge
- C Indigenous knowledge
- D Economics knowledge

1.1.7 An international agreement to manage nuclear waste.

- A Stockholm Protocol
- B Kyoto Protocol
- C Paris Agreement
- D Basel Convention

1.1.8 A socio-economic and political division between the wealthy developed and the poorer developing countries is called ...

- A South divide.
- B North divide.
- C North-South divide.
- D Economic divide.

(8 x 2) (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 numbers (1.2.1 to 1.2.8) in the ANSWER BOOK, for an example 1.2.9 J.

COLUMN A	COLUMN B
1.2.1 Accounting profit	A The cost per unit increases while quantities produced increase
1.2.2 Cartel	B The variety of plant and animal life in a specific area
1.2.3 Long run	C Firms that produce goods and services in several countries
1.2.4 Diseconomies of scale	D International agreements aimed at reducing greenhouse gases
1.2.5 Multinational enterprises	E Long enough for all factor inputs to be varied
1.2.6 Portfolio investments	F The difference between a firm's total income and explicit costs
1.2.7 Kyoto protocol	G Purchasing financial assets that can easily be converted into cash
1.2.8 Biodiversity	H Incurred by consumers when they buy goods
	I They operate in an oligopoly market structure

(8 x 1) (8)

- 1.3 Give ONE term for the following description. Write only the term next to the question numbers (1.3.1 to 1.3.6) in the ANSWER BOOK. Abbreviations, acronyms and examples will NOT be accepted.
- 1.3.1 This law states that total utility will increase at a slower rate with each additional unit consumed
- 1.3.2 The products being offered are identical with no obvious differences in quality
- 1.3.3 The money that is left over once the firm subtracts its total costs from the total revenue
- 1.3.4 The number of permits needed to cover the carbon emissions of a specific factory
- 1.3.5 A grouping of countries to get more control over the global economy
- 1.3.6 The entrapment of heat in the atmosphere resulting in climate change (6 x 1) (6)

**TOTAL SECTION A: 30**

**SECTION B**

Answer any TWO of the three questions from this section in your ANSWER BOOK.

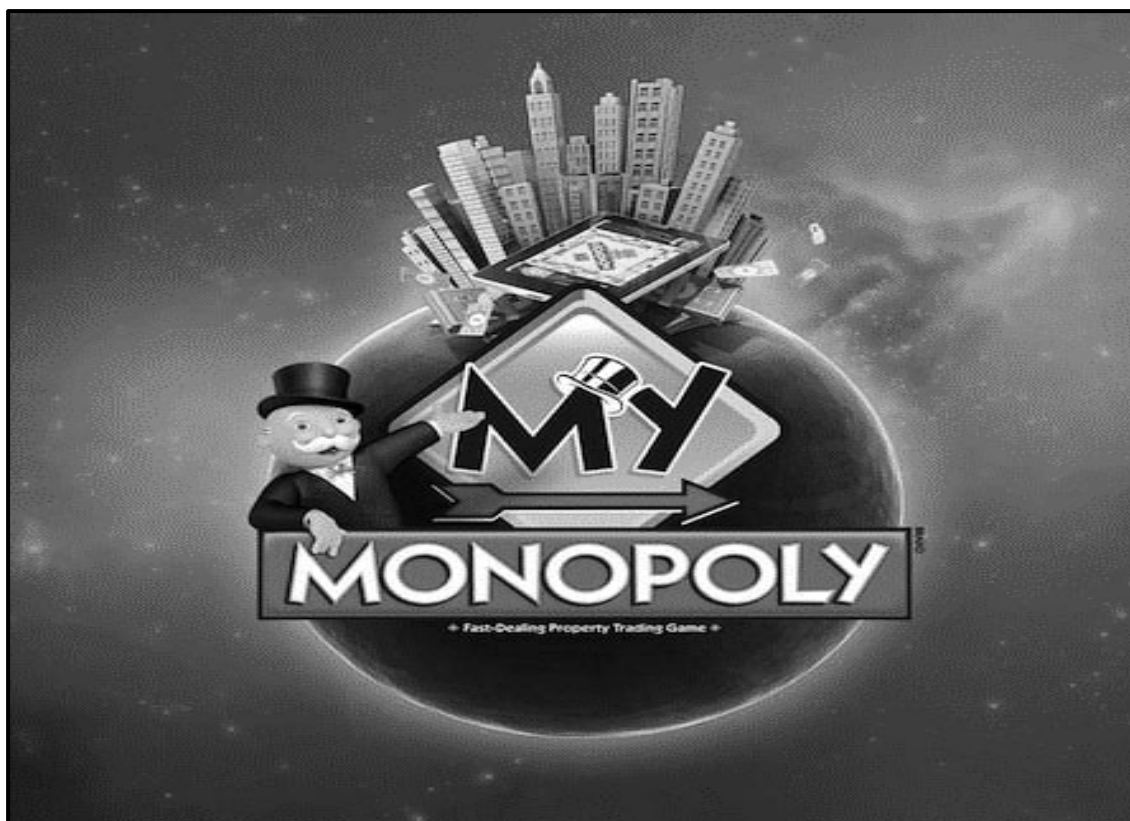
**QUESTION 2: MICROECONOMICS****40 MARKS – 30 MINUTES**

2.1 Answer the following questions.

2.1.1 Name any TWO examples of perfect competitors. (2 x 1) (2)

2.1.2 Why do producers continue to increase their production? (1 x 2) (2)

2.2 Study the picture below and answer the questions that follow.



2.2.1 Identify the market structure in the picture above. (1)

2.2.2 Name ONE characteristic of the market structure identified in QUESTION 2.2.1. (1)

2.2.3 Briefly describe the term *market structure*. (2)

2.2.4 Why are perfect competitors price-takers? (2)

2.2.5 How do consumers benefit from perfectly competitive firms? (2 x 2) (4)

2.3 Study the table below and answer the questions that follow.

PRICE	QUANTITY	TOTAL REVENUE	TOTAL COST	PROFIT / LOSS
8	0	0	10	-10
7	1	A	15	-8
6	2	12	12	0
5	3	15	10	5
4	4	16	8	8

2.3.1 Identify the quantity when the firm maximises its profits in the table above. (1)

2.3.2 What is the average revenue when only one unit is sold? (1)

2.3.3 Briefly describe the term *marginal revenue*. (2)

2.3.4 Why is the average fixed cost (AFC) curve downward sloped from left to right? (2)

2.3.5 Calculate the marginal cost for quantity 4 using the information in the table above. Show ALL calculations. (2 x 2) (4)

2.4 Distinguish between *accounting profit* and *economic profit*. (4 x 2) (8)

2.5 Analyse the role of profits in a business. (4 x 2) (8)

**[40]**



**QUESTION 3: CONTEMPORARY ECONOMIC ISSUES****40 MARKS – 30 MINUTES**

3.1 Answer the following questions.

3.1.1 Name any TWO characteristics of globalisation. (2 x 1) (2)

3.1.2 How does green taxes contribute towards sustainability? (1 x 2) (2)

3.2 Study the cartoon below and answer the questions that follow.



[Adapted from [www.twitter.com](http://www.twitter.com)]

3.2.1 Identify the type of pollution in the cartoon above. (1)

3.2.2 Identify the environmental issue in the cartoon above. (1)

3.2.3 Briefly describe the term *pollution*. (2)

3.2.4 How does human activity cause environmental deterioration? (2 x 1) (2)

3.2.5 How can producers contribute to economic growth while protecting the environment? (2 x 2) (4)

3.3 Study the extract below and answer the questions that follow.

**SA SENDS FIRST SHIPMENT UNDER AFCFTA AGREEMENT**

The implementation of the preferential trading under the African Continental Free Trade Area (AfCFTA) has become a reality with South Africa sending its first shipment of products to other countries trading under the agreement. South Africa is the first among the Southern African Customs Union (SACU) member states, to practically realise the AfCFTA Agreement.

For South Africa, the start of preferential trade will create great opportunities for growth and development. Not only will it benefit our country's producers, but it will also see a huge increase in traffic through our ports, our airports and our land-based border posts.

[Adapted from [www.sanews.gov.za](http://www.sanews.gov.za)]

- 3.3.1 Identify any ONE trade block in the extract above. (1)
- 3.3.2 Name the organisation that regulates trade between countries. (1)
- 3.3.3 Briefly describe the term *free trade*. (2)
- 3.3.4 Explain the main objective of the organisation mentioned in QUESTION 3.3.2. (2)
- 3.3.5 Examine the positive impact of free trade on the South African economy. (2 x 2) (4)
- 3.4 Briefly discuss the granting of property rights as a measure to sustain the environment. (4 x 2) (8)
- 3.5 Analyse the importance of taking care of forests for the economy and the environment. (4 x 2) (8)
- [40]**

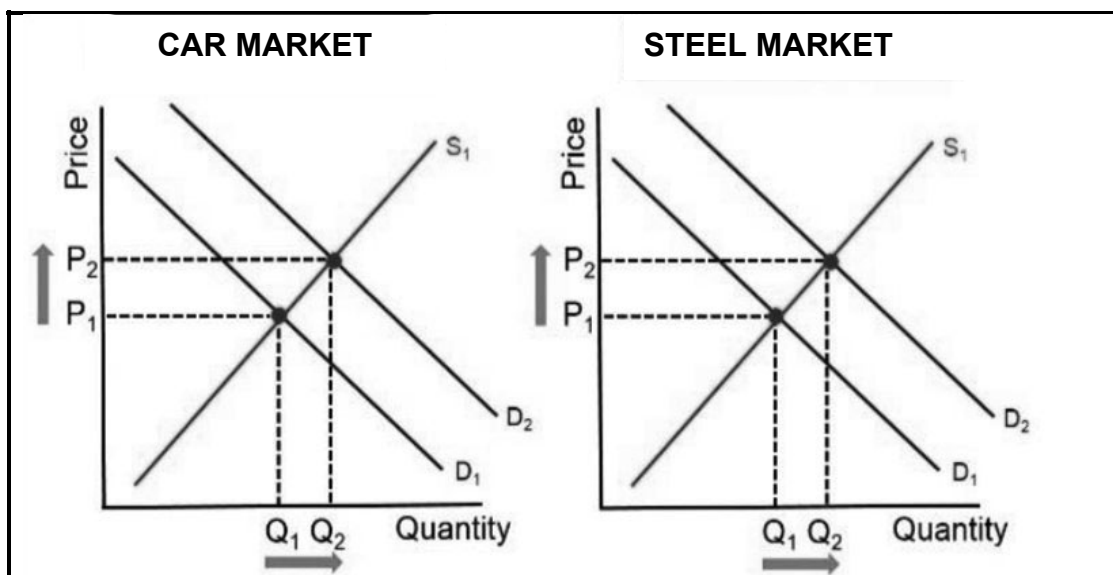
**QUESTION 4: MICROECONOMICS AND CONTEMPORARY ECONOMIC ISSUES**  
**40 MARKS – 30 MINUTES**

4.1 Answer the following questions.

4.1.1 Name any TWO methods of protecting the environment. (2 x 1) (2)

4.1.2 Why is it important for businesses to set goals? (2)

4.2 Study the graphs below and answer the questions that follow.



4.2.1 Identify the original demand curve in the car market graph above. (1)

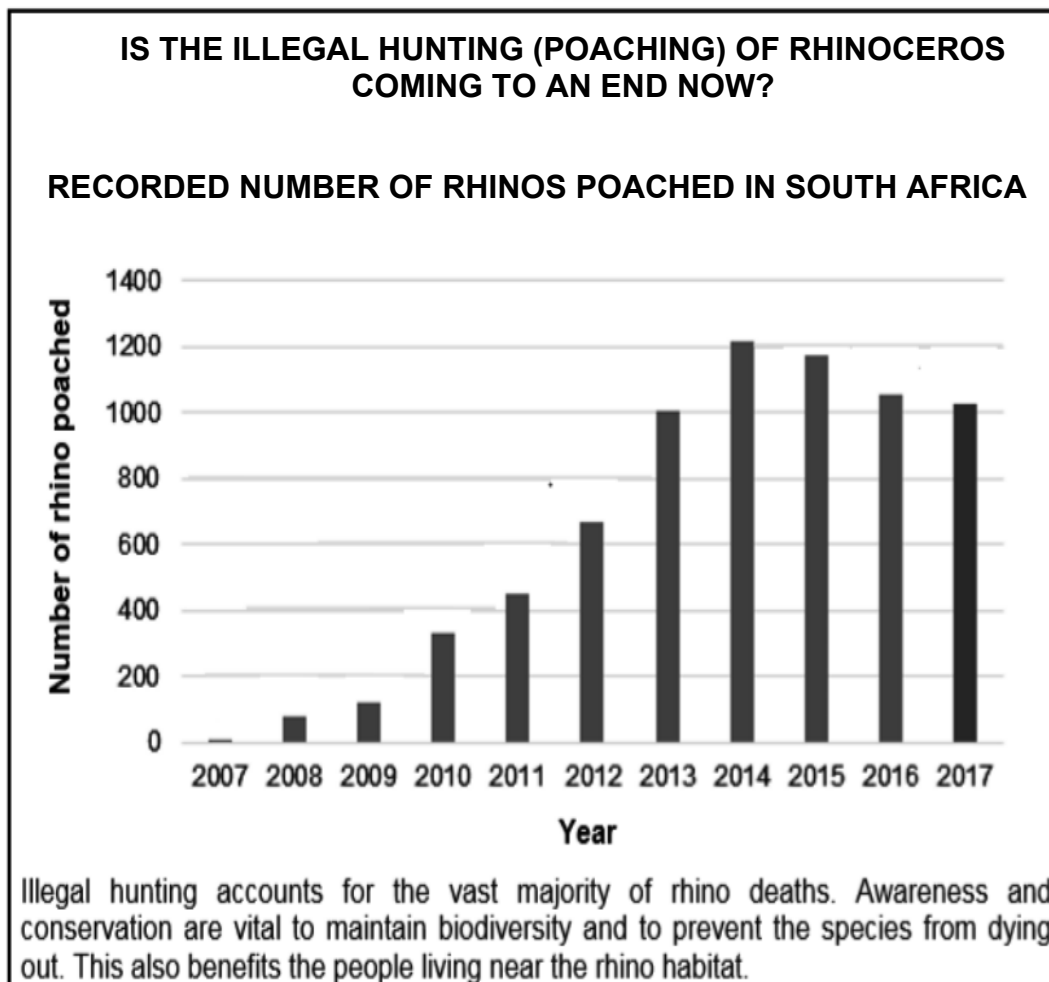
4.2.2 Which market represents the factor market in the graph above? (1)

4.2.3 Briefly describe the term *substitute goods*. (2)

4.2.4 What caused a shift of **D<sub>1</sub>** to **D<sub>2</sub>** in the steel industry? (2)

4.2.5 What is the impact on the employees in the steel market if the demand for cars increases from **D<sub>1</sub>** to **D<sub>2</sub>**? (2 x 2) (4)

4.3 Study the extract below and answer the questions that follow.



[Adapted from [www.PoachStatsSA](http://www.PoachStatsSA), 2017]

- 4.3.1 Identify the year in which rhino poaching was at its highest. (1)
- 4.3.2 What is the main reason for the poaching of rhinos? (1)
- 4.3.3 Briefly describe the term *ecosystem*. (2)
- 4.3.4 How can the awareness of the importance of flora and fauna be created? (2)
- 4.3.5 How does climate change affect the economic environment? (2 x 2) (4)
- 4.4 Briefly discuss the relationship between factor and product market. (4 x 2) (8)
- 4.5 What problems would be experienced in the economy if non-renewable resources were consumed excessively? (4 x 2) (8)

**[40]**

**TOTAL SECTION B: 80**

**SECTION C**

Answer ONE of the two questions from this section in the ANSWER BOOK.

Your answer will be assessed as follows.

STRUCTURE OF ESSAY	MARK ALLOCATION
<b>Introduction</b> The introduction is a lower-order response. <ul style="list-style-type: none"> <li>• A good starting point would be to define the main concept related to the question topic.</li> <li>• Do not include any part of the question in your introduction.</li> <li>• Do not repeat any part of the introduction in the body.</li> <li>• Avoid saying in the introduction what you are going to discuss in the body.</li> </ul>	Max. 2
<b>Body</b> <b>Main part:</b> Discuss in detail/In-depth discussion/Examine/Critically discuss/Analyse/Compare/Evaluate/Distinguish/Differentiate/Explain  <b>Additional part:</b> Give own opinion/Critically discuss/Evaluate/Critically evaluate/Draw a graph and explain/Use the graph given and explain/Complete the given graph/Calculate/Deduce/Compare/Explain/Distinguish/Interpret/Briefly debate/How/Suggest	Max. 26  Max. 10
<b>Conclusion</b> Any higher-order conclusion should include: <ul style="list-style-type: none"> <li>• A brief summary of what has been discussed without repeating facts already mentioned</li> <li>• Any opinion or value judgement on the facts discussed</li> <li>• Additional support information to strengthen the discussion/analysis</li> <li>• A contradictory viewpoint with motivation, if required</li> <li>• Recommendations</li> </ul>	Max. 2
<b>TOTAL</b>	<b>40</b>

**QUESTION 5: MICRO ECONOMICS****40 MARKS – 40 MINUTES**

- Discuss in detail price elasticity of demand without the aid of graphs. (26 marks)
- Why is the elasticity of demand important to producers? (10 marks) **[40]**

**QUESTION 6: CONTEMPORARY ECONOMIC ISSUES****40 MARKS – 40 MINUTES**

- Discuss in detail the causes of globalisation. (26 marks)
- In which way is South Africa negatively affected by the North-South divide? (10 marks) **[40]**

**TOTAL SECTION C: 40**  
**GRAND TOTAL: 150**





