



EXAMINATIONS AND ASSESSMENT CHIEF DIRECTORATE

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2024 NSC CHIEF MARKER'S REPORT

SUBJECT	ECONOMICS		
QUESTION PAPER	1	2X	
DURATION OF QUESTION PAPER			
PROVINCE	EASTERN CAPE		
NAME OF THE INTERNAL MODERATOR	BOOI L		
NAME OF THE CHIEF MARKER	MVUNYISWA N		
DATES OF MARKING	27 November – 13 December 2024		
HEAD OF EXAMINATION:	MR E MABONA		

SECTION 1: (General overview of Learners Performance in the question paper as a whole)

- The performance of candidates in the 2024 examination session has declined compared to 2023 and 2022. Results from different centres show mixed outcomes. The average performance, based on a sample of 100 scripts, is at 52%, which is comparable to the 51% recorded in 2023.
- There has been a slight increase in the number of learners who have an incomplete number of questions (no essay), resulting in many failing to earn marks for section C. Additionally, there are still learners who left questions incomplete.

Candidate responses to the poorly performed questions indicate a lack of preparation and understanding of basic concepts and terminology.

QUESTION 1
(a) General comment on the performance of learners in the specific question. Was the question well answered or poorly answered?
The compulsory question was well answered by the candidates, with an overall performance averaging above 75% based on a sample of 100 scripts. Performance on this question has improved over the past few years, especially in Q1.1 and Q1.2. However, learners still find Q1.3 challenging, with some scoring zero.
(b) Why was the question poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.
<p>In question 1.3.1, candidates confused <i>explicit costs</i> with <i>implicit costs</i>. Many candidates also provided <i>factors of production</i> as their answer. Some candidates did not fully answer the question and referred to implicit Cost and revenue curve concepts, such as marginal cost and marginal revenue, were answers provided by candidates. There was common confusion between <i>economies of scale</i> and <i>diseconomies of scale</i> in the responses provided.</p> <p>In 1.3.3, candidates failed to provide the correct concept. Instead of stating <i>minimum wage</i>, they offered incorrect responses such as <i>minimum price, minimum earnings, wages and salaries, R3 500, and maximum price</i>.</p> <p><i>Demand – push inflation, demand cost push, inflation</i> were concepts confused with demand – pull inflation in 1.3.4</p> <p>In 1.3.5 incorrect responses by most candidates included <i>world heritage site, culture, cultural tourism</i></p> <p>Recycle and re – use/re – useable was confused with renewable resources in 1.3.6</p>

(b) Provide suggestions for improvement in relation to Teaching and Learning
<ul style="list-style-type: none"> • It is important to recognize the differences between related concepts, such as implicit and explicit costs, as well as minimum wage and minimum price. • Emphasis must be made on definitions and key concepts throughout the learning process. • Regular short activities on concepts are strongly recommended for effective practice. • Learners should also compile a list of key concepts for each topic. • Learners should complete all items in Q1.1 and Q1.2. • To achieve higher marks in Q1.3, learners should focus on thorough preparation of these concepts. • Additionally, incorporating technology, such as videos, simulations, and online resources, can enhance students' understanding of economic concepts.

(c) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.

- If a candidate writes the full statement in Q1.1, they must write it as it appears in the paper, that is the complete statement
- Learners are advised to identify the correct answer to each multiple-choice question before reviewing the options.
- Teachers should make learners aware that they will not receive marks for providing more than one answer to a short question.
- Learners are reminded that when one changes an answer for Q1.1 and Q1.2, they must cross out the incorrect letter and write the correct one next to it—**do not overwrite**.
- Teachers should ensure that learners understand the instructions for Q1.3. Acronyms and abbreviations will be marked incorrect if they do not follow the instructions.

QUESTION 2 (Summary)

(a) General comment on the performance of Candidates in the specific question. Was the question well answered or poorly answered?

The average score for this question is 25%. This is indication that many candidates are struggling with it. Additionally, the question has not been a popular choice among candidates.

(b) Why was the question poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

Candidates in 2.1.1 are providing various types of market structures as answers. A significant number have listed names of supermarkets, including Spar and Boxer stores. Other common responses refer to oil, gold, oligopoly, monopoly, and monopolistic competition.

In 2.1.2, candidates lose marks because they write incomplete sentences. Many refer to either 'cost' or 'benefit,' but not both. This shows that they misinterpret the question. *Public projects lead to more employment opportunities/ CBA reduces corruption/CBA helps the government to improve social grants and standard of living*

2.2.1 candidate responses included examples of business operating as monopolistic competitors. These included *restaurants* which is an example from the extract. Some candidates quoted a sentence in the extract: *'Charge R150 for a pizza and burger combo while another might charge R180 for the same order'*

2.2.2 Candidates confused normal profit with economic profit. Many also referred to supernormal profits

2.2.3 Candidates lost marks because they incorrectly described monopolistic competition as a market structure with few sellers. The confusion between a monopolist market and a monopolistic competitor became apparent when candidates referred to monopolistic competition as a single seller of a product.

2.2.5 Candidate were unable to differentiate fully for them to obtain full marks. Responses provided were a repetition. In some responses, candidates confused a monopolist with a monopolistic competitor: A

monopolist enjoy high profits as it has many sellers. Many candidates still do not fully grasp the implications of price control across different market structures. They often perceive a *monopoly as having little control over prices since it is the only seller of a product.* Conversely, they view a *monopolistic competitor as having complete control because many consumers buy their products from restaurants.*

2.3.1 Many candidates' responses indicate a lack of understanding of *marginal private benefit.* Several did not correctly identify the appropriate demand curve as illustrated in the graph; instead, they simply wrote "*demand curve,*" despite the presence of two demand curves in the graph, DD and D1D1

2.3.2 Responses referred to *demerit goods* instead of *examples of negative externalities.* Common answers were *tobacco, alcohol, cigarettes, gambling*

2.3.3 Candidates provided incomplete answers and left out information which fully describes externalities. A common incomplete response was '*a cost to third parties*' '*a benefit to the society*'

2.3.4 Candidates did not understand the meaning of 'socially efficient. They referred to an *increase in demand.*

2.3.5 Most candidates misunderstood the question. Responses provided compared demerit goods and merit goods. '*Demerit goods should be taxed/demerit goods are dangerous to the society/government should discourage demerit goods*

2.4 Many candidates struggled to correctly illustrate the relationship between Total Cost (TC), Fixed Cost (FC), and Variable Cost (VC) with the aid of correctly labelled graphs. Instead, some provided graphs that resembled those showing profit maximization and shutdown points. Additionally, the axes were mislabelled, with terms like price (P) and revenue (R) being incorrectly used. Several candidates confused the labels for the curves, which negatively impacted their performance. Furthermore, the explanations provided by the candidates did not effectively show the relationships between TC, FC, and VC. While many discussed fixed and variable costs, they failed to connect their explanations to the graphs. It was also clear that some candidates misinterpreted the question, as they provided general statements that were not linked to the graphs.

2.5 Candidates presented incomplete responses, which indicated a lack of understanding of the question. They did not link the lack of information to the misallocation of resources. Many candidates repeated their responses, and they also struggled to differentiate between consumers and workers in relation to the question.

(c) Provide suggestions for improvement in relation to Teaching and Learning.

- Poor performance often results from misunderstanding questions due to a lack of understanding of key concepts.
- Teachers should avoid giving marking guidelines before students attempt difficult questions, as this can limit their critical analysis when responding to higher order questions
- It is important to distinguish between monopolistic competition and a monopolistic market. A

monopolistic market refers to a market structure where there is a single seller.

- Drawing and labelling graphs helps learners understand important concepts and content related to the topic. Teachers should encourage students to explain the graphs they work with.
- Teachers should assess higher-order questions correctly to help learners understand how marks are given.
- They should create prompts to make comparisons easier, showing similarities and differences. This will help learners learn the characteristics of different market structures.
- Understanding cost curves is essential for studying equilibrium positions in Grade 12. These curves help learners grasp how costs and revenues interact in the different market structures. This knowledge will provide them with a solid foundation to analyse more complex concepts in Grade 12.

(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.

Teachers must be encouraged to mediate the content, especially related concepts, more effectively to learners

Regular assessment on the drawing of graphs in Microeconomics from Grade 10 to 12 is essential in reinforcing the various related concepts.

Teachers must spend time to explain the cognitive verbs from the 2021 Examination Guidelines to learners in detail so that learners are familiar and clear about the expectations of these verbs, especially in relation to higher-order questions.

In Grade 11, it is important for students to learn about both cost and revenue curves thoroughly

QUESTION 3

(a) General comment on the performance of candidates in the specific question. Was the question well answered or poorly answered?

The performance in the question is very low at 29% from the random 100 scripts sampled.

(b) Why was the question poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

3.3.1 Candidates failed to name the different types of consumer inflation and instead provided types of general inflation, such as hyperinflation, stagflation, and producer price index.

3.1.2 Candidates did not demonstrate a proper understanding of the question. Common responses included statements like “to increase social grants” and “to discourage tourism.” Additionally, some candidates mistakenly referred to government revenue as profit.

3.2.1 Candidates were unable to identify a positive impact from the cartoon.

In 3.2.2, candidates mentioned SARS and SABS as institutions that use interest rates to control inflation. Some considered monetary policy to be an institution, while others provided examples of financial institutions, such as commercial banks and insurance companies. In 3.2.3, candidates failed to provide a correct description of stagflation, instead describing inflation. Most did not achieve full marks

because they wrote incomplete sentences, such as stating that "stagflation is when there is low growth and inflation."

In 3.2.4, candidates struggled to explain the impact of inflation on taxpayers and instead discussed progressive taxation.

In 3.2.5, candidates exhibited confusion between natural disasters and natural resources. The majority referred to the benefits of natural resources to the economy, particularly regarding the jobs created when a country possesses such resources.

3.3.1 Candidates were unable to identify the number of SADC tourist arrivals from the graph. Incorrect responses included figures such as 0.2 and 1.9. Some candidates mistakenly added incorrect number of zeros to the figure to represent a million, which rendered their answers incorrect.

3.3.2 Many candidates failed to provide an example of an environmental World Heritage site, offering instead examples of general World Heritage sites.

3.3.3 Candidates struggled to describe domestic tourism and instead explained transit tourism and inbound tourism. Most did not understand that "domestic" refers to travel within one's own country, with some incorrectly stating that "domestic tourism is from country to country within the borders of a country."

3.3.4 Candidates could not connect the concept of a weak rand to foreign tourist arrivals. Responses included statements such as "Foreign tourists will suffer, and they will not be able to afford the holiday." Some candidates repeated the question in their responses, while others mistakenly referred to a stronger rand.

In 3.3.5, candidates failed to comprehend the question and instead discussed what the government should do to ensure the safety and security of tourists. They mentioned job creation through tourism activities and suggested that the government should build better accommodations for tourists.

3.4 Candidates explained export earnings and government expenditure but did not successfully link these concepts to the causes of demand-pull inflation. Responses defined demand-pull inflation as a situation where aggregate demand exceeds aggregate supply. Some candidates noted that an increase in exports could lead to more job opportunities.

3.5 Most candidates struggled to get marks because they misunderstood the question. Many referred to the negative publicity that tourism activities could bring to South Africa, citing socio – economic challenges such as crime, drug trafficking, increased teenage pregnancy, and unemployment. A few candidates, however, provided answers that discussed the positive impact of tourism activities.

(c) Provide suggestions for improvement in relation to Teaching and Learning

Completion of the content on time to help allow enough revision for learners which is important for learning.

Learners need more assessment on data-response questions, especially those with 4 marks that

require application skills. To answer these questions correctly, learners must understand the key concepts related to the topic. It is important for learners to focus on the relevant data provided in each question and use it to answer effectively.

They should learn to identify what information is necessary.

Additionally, using logical reasoning helps learners earn marks.

When they can clearly show that they understand the question, they can explain their answers better and perform well.

(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.

The 2021 Examination Guidelines should be available to all learners. This will ensure completion of the curriculum and also help identify where the textbook may lack important information. This will close gaps in the teaching and learning the subject.

QUESTION 4

(a) General comment on the performance of candidates in the specific question. Was the question well answered or poorly answered?

The performance on this question is low, at 31%, from a sample of 100 scripts. This question was popular in section B.

(b) Why was the question poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

4.1.1 Candidates failed to identify the inefficiencies caused by market failure and instead provided reasons for market failure.

4.1.2 Many candidates demonstrated a lack of understanding of the question and the concept of open market transactions. Some responses referenced interest rates, while others incorrectly wrote about the buying and selling of government securities.

4.2.1 Most candidates provided average cost (AC) and supply (SS) curves, indicating the supply curve for an individual firm from a given graph.

4.2.2 Common incorrect answers included the terms "differentiated" and "heterogeneous." 4.2.3 In their descriptions of marginal revenue, candidates often described marginal cost instead and neglected to include the terms "extra" or "additional" in their responses.

4.2.4 Many candidates did not provide a comprehensive explanation; "price taker" was a frequently given response.

4.2.5 Candidates did not refer to the graph in their answers. Most explained how economic profit in the short run would lead to normal profits in the long run.

4.3.1 Candidates referred to Images 1 and 2 instead of A and B. Some provided a list of items depicted in the images, such as clouds, birds, and elephants.

4.3.2 Candidates mentioned institutions that promote tourism in South Africa as including SARB, Stats SA, Tourism Indaba, and Shot Left.

4.3.3 Most candidates described eco-tourism and cultural tourism, rather than paleo-tourism. In 4.3.4, candidates discussed the benefits of tourism to households, including income generation and job creation. However, many provided incomplete statements in response to the question.

4.3.5 The responses from candidates indicated a misinterpretation of the question, as they focused on the negative impact of tourism activities on the environment, such as pollution and damage to tourist sites. Additionally, some candidates failed to write in complete sentences, providing short answers such as "bad roads" and "infrastructure."

(c) Provide suggestions for improvement in relation to Teaching and Learning.

- To ensure comprehensive coverage of all topics in the Examination Guidelines, including current economic issues, it is important for teachers to plan effectively and manage teaching and learning time well.
- Focus on challenging areas and allocate sufficient time for thorough revision.
- Encourage learners to stay informed about current affairs by creating assignments, projects, and case studies. This approach will help them develop the skills needed to tackle complex questions that require analytical thinking and the application of knowledge.
- Subject advisors should develop and research materials to address gaps in textbooks, such as the evaluation and analysis of measures to combat cost push inflation.
- They, along with cluster leaders, should provide support and resources to help learners grasp challenging topics, including graphs.
- Teachers should motivate learners to practice drawing graphs and assess their accuracy in labelling curves, and providing relevant explanations

(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.

- Teachers must spend time to explain the cognitive verbs from the 2021 Examination Guidelines to learners in detail so that learners are familiar and clear about the expectations of these verbs, especially in relation to higher-order questions.

QUESTION 5

(a) General comment on the performance of candidates in the specific question. Was the question well answered or poorly answered?

The question was a popular choice of the two essays. Performance in the question averages at 43% based on the 100 sample scripts.

(b) Why was the question poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

Many candidates struggle to write complete sentences in the introduction when they explain what an oligopoly is. For example, saying "An oligopoly has few sellers" . Some candidates also mistakenly describe an oligopoly as having many buyers and sellers.

Many candidates repeat information from the introduction in the main part of their responses. Some lose

marks because they do not use subheadings.
 Additionally, many confuse collusion with mutual dependence.
 Some candidates compare different market structures instead of focusing on oligopoly as a specific market structure.
 Drawing the kinked demand curve correctly is difficult for many, as they often fail to label it or label it incorrectly. Sometimes, candidates just draw a blank line with a kink or mistakenly draw a downward-sloping curve.
 There is often confusion between the two segments of the kinked demand curve. Candidates usually describe the upper segment as inelastic and the lower segment as elastic.
 Most candidates also provide incorrect explanations under their subheadings.

The additional was poorly answered by the candidates.
 Many candidates failed to explain or connect the role of institutions in helping to reduce anti-competitive behaviour. They also provided incomplete sentences.
 Furthermore, while several candidates discussed the objectives of competition policy, they did not link these objectives to the question.
 Current examples of businesses that have been investigated and fined were very limited, and the few that were mentioned were incorrect.

(c) Provide suggestions for improvement in relation to Teaching and Learning

Teachers should regularly assess essays.
 This practice helps improve candidate's writing skills. It also allows teachers to focus on the introduction and conclusion, which many candidates find difficult.

QUESTION 6

(a) General comment on the performance of candidates in the specific question. Was the question well answered or poorly answered?

This was not a popular essay. Performance as per the sampled 100 scripts is at 12%

(b) Why was the question poorly answered? Also provide specific examples, indicate common errors committed by learners in this question, and any misconceptions.

Candidates did not provide a suitable introduction to the question and gave incorrect answers about preservation, conservation, and pollution.
 The main part responses showed candidates had not studied the essay well. They used incorrect subheadings and discussed the state of the environment.
 Some subheadings were wrong, showing confusion between marketable permits and patent rights.
 Candidates received marks for correct explanations, even if they were under the wrong subheadings.
 When discussing education, some candidates connected it to job creation and tourism.
 Most candidates also talked about how the government should take steps to address socio-economic issues.
 The additional part of the essay was poorly done. Candidates found it hard to analyse international measures for reducing environmental problems. They could not identify specific international measures and instead mentioned trade protocols, conferences, and alliances.

(c) Provide suggestions for improvement in relation to Teaching and Learning
Teachers should cover Environmental Sustainability in Grade 11 because a lot of this material is also part of the Grade 12 curriculum. Assessments should be thorough and reflect the key concepts to help students prepare for Grade 12.
(d) Describe any other specific observations relating to responses of learners and comments that are useful to teachers, subject advisors, teacher development etc.