

High School Olympiad PREPARATION STUDY GUIDE

ECONOMICS

PAST PAPER AND MEMO ROUND ONE AND TWO

GRADE 12



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2023

**NATIONAL HIGH SCHOOL
OLYMPIAD**

**NASIONALE HOëRSKOOL
OLIMPIADE**

Gr 10 11 12

ROUND ONE: 10 MAY

ROUND TWO: 2 AUGUST

January							February							March							April						
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PROVERTO

NATIONAL HIGH SCHOOL OLYMPIAD

ANSWER SHEET ROUND ONE

TODAY'S DATE DAY MONTH YEAR GRADE

SCHOOL NAME

LEARNER SURNAME

FIRST NAME INITIALS DATE OF BIRTH Female Male

LEARNER EMAIL (if available)

LEARNER Mobile Number

SELECT THE SUBJECT/SUBJECTS (Mark a block with a X)

ACCOUNTING/REKENINGKUNDE BUSINESS STUDIES/BESIGHEIDSTUDIES ECONOMICS/EKONOMIE

ACCOUNTING / REKENINGKUNDE

1 A B C D	6 A B C D	11 A B C D	16 A B C D	21 A B C D	26 A B C D
2 A B C D	7 A B C D	12 A B C D	17 A B C D	22 A B C D	27 A B C D
3 A B C D	8 A B C D	13 A B C D	18 A B C D	23 A B C D	28 A B C D
4 A B C D	9 A B C D	14 A B C D	19 A B C D	24 A B C D	29 A B C D
5 A B C D	10 A B C D	15 A B C D	20 A B C D	25 A B C D	30 A B C D

TOTAL ____/30

BUSINESS STUDIES / BESIGHEIDSTUDIES

1 A B C D	6 A B C D	11 A B C D	16 A B C D	21 A B C D	26 A B C D
2 A B C D	7 A B C D	12 A B C D	17 A B C D	22 A B C D	27 A B C D
3 A B C D	8 A B C D	13 A B C D	18 A B C D	23 A B C D	28 A B C D
4 A B C D	9 A B C D	14 A B C D	19 A B C D	24 A B C D	29 A B C D
5 A B C D	10 A B C D	15 A B C D	20 A B C D	25 A B C D	30 A B C D

TOTAL ____/30

ECONOMICS / EKONOMIE

1 A B C D	6 A B C D	11 A B C D	16 A B C D	21 A B C D	26 A B C D
2 A B C D	7 A B C D	12 A B C D	17 A B C D	22 A B C D	27 A B C D
3 A B C D	8 A B C D	13 A B C D	18 A B C D	23 A B C D	28 A B C D
4 A B C D	9 A B C D	14 A B C D	19 A B C D	24 A B C D	29 A B C D
5 A B C D	10 A B C D	15 A B C D	20 A B C D	25 A B C D	30 A B C D

TOTAL ____/30

INSTRUCTIONS: Please complete all required information
Colour a circle completely ● CORRECT MARK
Erase any faulty marks completely
Do not fold, tear or damage this form

ECONOMICS

GRADE 12

Olympiad Paper

Round One

Marks: 30

Time: 1 hour

Date: 12 May 2021



Instructions

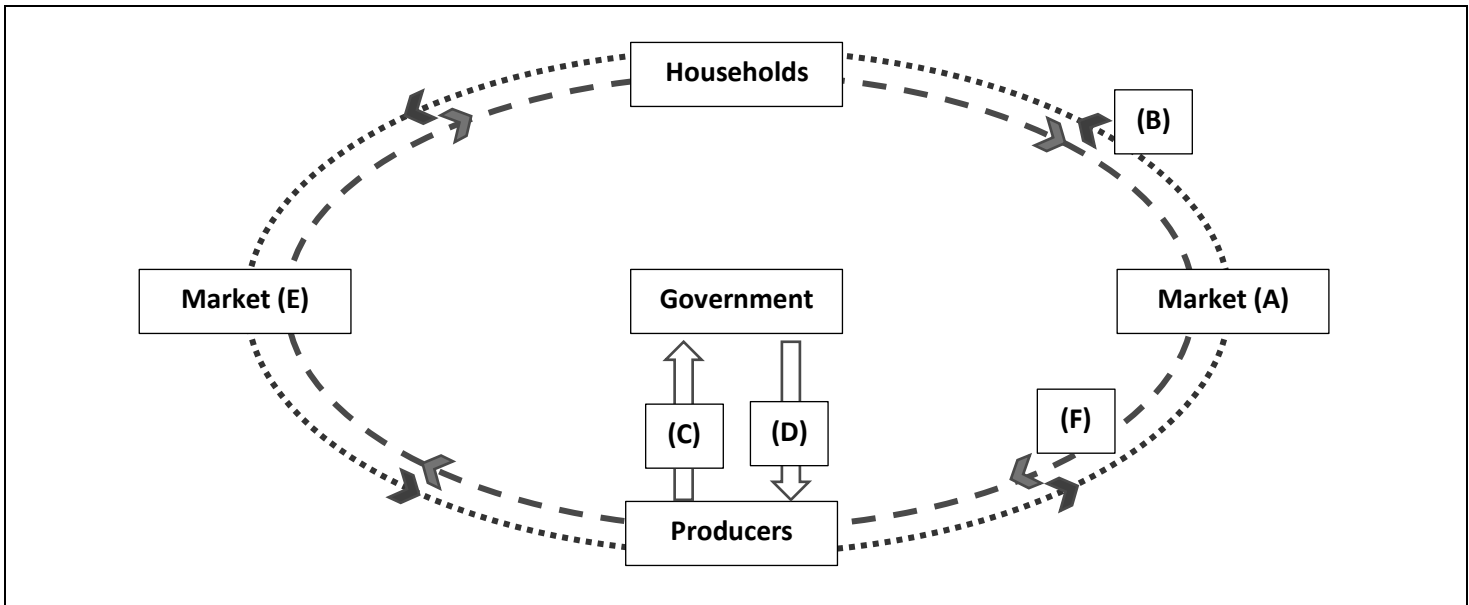
1. Complete questions on the ANSWER SHEET provided.
2. Complete all information on the ANSWER SHEET.
3. The ANSWER SHEET consist of 4 sections. Please select the correct section/subject.
4. There are 4 possible answers per question (A B C D)
Only one answer is correct.
Colour a circle completely.
5. Good luck!

PROVERTO EMS OLYMPIAD 2021 – GRADE 12 ECONOMICS

ROUND 1

THE CIRCULAR FLOW

Study the following economic model and answer questions 1 to 5



	Money flow
	Real flow

- This type of representation in economics is called a _____.
 - model
 - graph
 - law
 - relation
- The market represented by (E) is the market for:
 - factors of production.
 - goods and services.
 - labour and entrepreneurship.
 - international trade.
- The flow indicated as (F) from Market (A) to Producers indicates the flow of:
 - factors of production.
 - the remuneration of factors of production.
 - goods and services.
 - the remuneration for goods and services.

4. If we assume that this representation is of an economy that is in equilibrium, which one of the following is true?
- A $NI < NP > NE$
 - B $NI = NP = NE$
 - C $NI > NP > NE$
 - D $NI < NP < NE$
5. If Flow (C) represents the flow of goods and services, then Flow (D) most likely represents:
- A public goods and subsidies.
 - B subsidies and taxes.
 - C public goods and taxes.
 - D transfer payments and private goods.
6. The following was taken from the SARB Quarterly Bulletin (December 2020).

R million	2015	2016	2017	2018	2019
Compensation of employees	1 912 083	2 072 859	2 225 800	2 320 179	2 418 544
Net operating surplus	1 079 222	1 123 567	1 226 323	1 249 182	1 296 696
Consumption of fixed capital	560 416	617 969	638 782	1 249 182	713 078
Taxes on production	81 169	85 519	92 072	101 936	105 061
Subsidies on production	7 983	8 356	9 653	6 492	9 796
Taxes on products	440 102	482 772	497 335	545 558	564 866
Subsidies on products	15 126	15 270	17 084	12 951	10 821
Extract from KB601					

The value of the GDP at market prices for 2019 is:

- A R 5 451 124 million
 - B R 3 782 008 million
 - C R 5 077 628 million
 - D R 3 651 472 million
7. What will the change in consumption be in a closed economy with no government if there is an increase in investment of R4 000 000, and the marginal propensity to consume (mpc) is 0,75?
- A -R16 000 000
 - B -R1 600 000
 - C R1 600 000
 - D R16 000 000
8. What can the government do if the economy starts to show signs of inflation and they want to curb growth in the economy?
- A Increase both taxes and imports.
 - B Decrease government expenditure and increase taxes.
 - C Increase both imports and the consumption of goods and services.
 - D Decrease taxes and increase government expenditure.

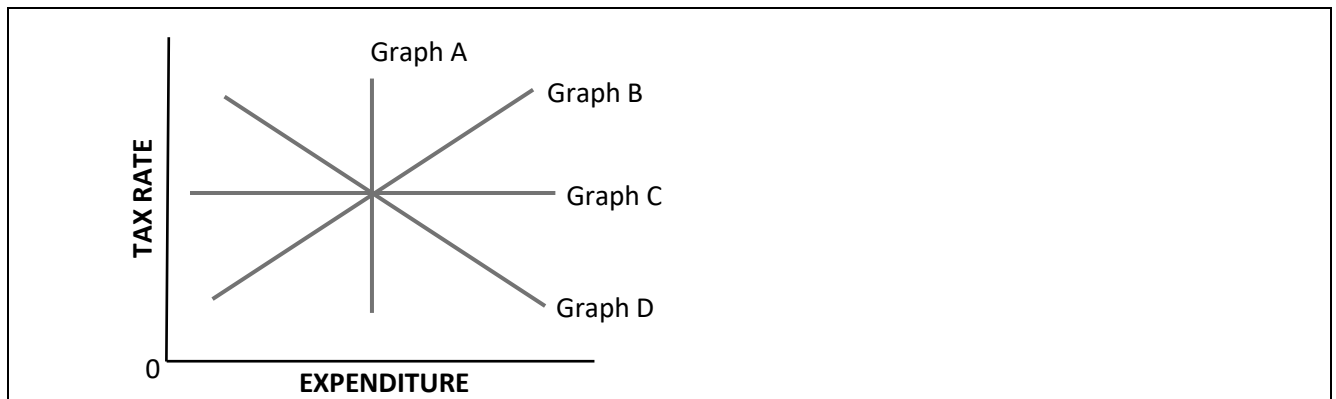
BUSINESS CYCLES

9. The opposite of a trough is the point on a business cycle where:
- A inflation is at its lowest.
 - B aggregate demand and cost leads to a decrease in investment.
 - C aggregate economic activity is decreasing.
 - D the unemployment rate is at its lowest.
10. The phase between a peak and a trough on a business cycle can best be described as:
- A a recovery point.
 - B an expansion phase.
 - C a contraction phase.
 - D an optimal output point.
11. During the growth phase, the economic growth rate on a year-to-year basis is:
- A negative, at an increasing rate.
 - B negative, at a decreasing rate.
 - C positive, at an increasing rate.
 - D positive, at a decreasing rate.
12. Professor Jan van Heerden writes in the article *SA's economic slowdown is structural* (<https://www.iol.co.za/business-report/opinion/opinion-sas-economic-slowdown-is-structural-29d10f0d-fb37-453d-88a7-a90e503eb6ef>) that there are various reasons why South Africa is experiencing a structural slowdown.
- Which one of the following will not be regarded as a structural problem?
- A The majority of labourers in South Africa have been educated poorly, because the primary and secondary education system is dysfunctional.
 - B The government system is not functioning optimally, as it suffers from corruption and basic services are not provided adequately.
 - C Manufacturing plants are not able to employ educated, committed, skilled workers who can perform whatever is required with a high degree of efficiency and reliability, and deliver what foreign firms require.
 - D An increase in the money supply in order to increase government expenditure and lowering the tax rate on both individuals and businesses.
13. The phase of a business cycle that occurs after a trough and when the growth rate is positive can be described as a _____ phase.
- A boom
 - B contraction
 - C recession
 - D depression
14. In an effort to adjust economic growth, the government announces an increase in taxes. This is an example of a/an:
- A expansionary fiscal policy.
 - B contractionary fiscal policy.
 - C expansionary monetary policy.
 - D contractionary monetary policy.

15. Which one of the following changes in aggregate demand and aggregate supply will lead to an increase in economic growth?
- A An increase in aggregate demand while aggregate supply remains constant.
 - B An increase in aggregate supply while aggregate demand remains constant.
 - C A decrease in aggregate demand and a decrease in aggregate supply.
 - D An increase in aggregate demand and an increase in aggregate supply.

THE PUBLIC SECTOR

16. The GDP of South Africa in current prices from 1985 to 2025 is published on the website <https://www.statista.com>. The statistics for 2022 – 2025 is calculated using:
- A historical models.
 - B econometric models.
 - C extrapolation.
 - D moving averages.
17. Which graph depicts VAT the best?



- A Graph A
 - B Graph B
 - C Graph C
 - D Graph D
18. A large number of fish species have gone extinct due to overfishing. As such, fish in the ocean can best be seen as a:
- A common good.
 - B public good.
 - C collective good.
 - D merit good.
19. The government decides to make the Covid-19 vaccine available to all members of the community free of charge. The vaccine can be seen as a:
- A common good.
 - B public good.
 - C collective good.
 - D merit good.

- 20.** Which one of the following is not a reason why government will provide merit goods and services?
- A** To encourage consumption so that positive externalities of merit goods can be achieved.
 - B** To overcome the information failures linked to merit goods.
 - C** Consumption of merit goods is believed often to generate positive externalities – where the private benefit from consumption exceeds the social benefit.
 - D** Because the government believes that consumption should not be based solely on the grounds of ability to pay for a good or service.
- 21.** Government decides to build more wind farms to generate electricity. Which one of the following will be classified as an external cost rather than a private cost?
- A** The price of the land the farm is built on.
 - B** The expenses incurred in installing the wind turbines.
 - C** Expenses related to the manufacturing of the wind turbines.
 - D** Lower property prices in the area.
- 22.** When the government acquires goods and services for future use, it is classified as:
- A** government spending.
 - B** government investment.
 - C** monetary policy.
 - D** fiscal policy.
- 23.** Which one of the following is not a reason for government spending?
- A** To supply goods and services that are not supplied by the private sector.
 - B** To achieve improvements in the demand-side of the macro-economy, such as spending on education and training to improve labour productivity.
 - C** To provide subsidies to industries that may need financial support for either their operation or expansion.
 - D** To help redistribute income and promote social welfare.

FOREIGN EXCHANGE MARKETS

- 24.** Which one of the following best describes an advantage of international trade?
- A** International trade encourages a country to specialise in producing those goods and services which it can produce at a higher cost, thus increasing the profit opportunity as a result of higher selling prices.
 - B** International trade lowers competition and increases world prices, which provides benefits to consumers by raising the purchasing power of their own income, and leads to a rise in producer surplus.
 - C** The quality of goods and services can increase as competition encourages innovation, design and the application of new technologies.
 - D** Local producers, who may supply a unique product tailored to meet the needs of the domestic market can sell their products at higher prices because consumers will not be interested in cheaper imports.

25. Country X and Country Y both produce two chocolates, FOMOs and YOLOs. Their potential production, using all their resources, is shown in the following table:

	COUNTRY X	COUNTRY Y
FOMO	300	350
YOLO	60	210

In this example, Country Y has:

- A an absolute advantage in both products and a comparative advantage in YOLOs.
 - B an absolute disadvantage in both products and a comparative advantage in YOLOs.
 - C an absolute advantage in both products and a comparative disadvantage in FOMOs.
 - D an absolute disadvantage in both products and a comparative advantage in FOMOs.
26. Possible reasons for a current account surplus are:
- (a) surplus of savings over investments.
 - (b) significant long-run competitive advantage.
 - (c) long-run rise in global prices of main exports.
 - (d) structural increase in net investment income.

Which of the possibilities are TRUE?

- A (a), (c) and (d)
- B (b) and (d)
- C only (c)
- D (a), (b), (c) and (d)

Answer questions 27 and 28 based on these figures.

<p>On 8 March 2021, ZAR1.000 = €0,054. On 11 March 2021, ZAR1.000 = €0,056.</p>

27. The Rand _____ against the Euro.
- A devaluated
 - B revaluated
 - C depreciated
 - D appreciated
28. On 11 March 2021, imports of €1 000 will:
- A cost R661,38 more.
 - B cost R661,38 less.
 - C cost the same.
 - D Impossible to say.

29. In order to reduce a current account deficit, the government needs to intervene.

- (a) Reduce consumer spending.
- (b) Increase consumer spending.
- (c) Supply side policies to improve competitiveness.
- (d) Demand side policies to improve competitiveness.
- (e) Devaluation of the exchange rate.
- (f) Revaluation of the exchange rate.

The best policies to attain the goal of reducing the current account deficit are:

- A** (a), (c) and (f)
- B** (b), (d) and (e)
- C** (b), (d) and (f)
- D** (a), (c) and (e)

30. Due to the implementation of new technology, Country H experiences an increase in productivity. This will cause the currency of Country H to _____ because goods are produced at a _____ price.

- A** appreciate; lower
- B** depreciate; lower
- C** appreciate; higher
- D** depreciate; higher

ECONOMICS

GRADE 12

Olympiad Paper

Round One

Marks: 30

Time: 1 hour

Date: 11 May 2022

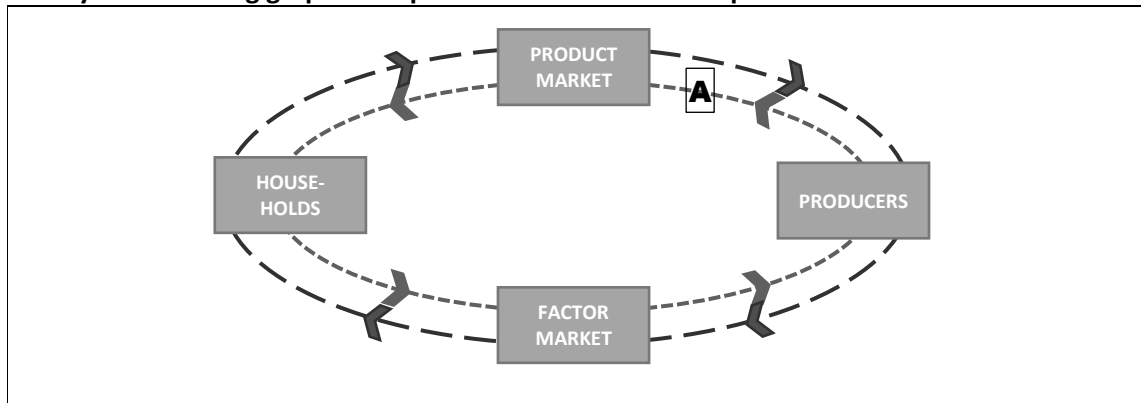


Instructions

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4. There are 4 possible answers per question (A B C D)
Only one answer is correct.
Colour a circle completely.
5. Good luck!

THE CIRCULAR FLOW

Study the following graphical representation and answer questions 1 to 8.



1. This is an example of an economic:
 - A schedule.
 - B module.
 - C model.
 - D graph.

2. Which one of the following will be classified as factor income for households?
 - A SASSA grant.
 - B Unemployment allowance.
 - C Pocket money paid to children.
 - D Interest received on a fixed deposit.

3. The flow identified as A shows the flow of:
 - A factors of production.
 - B the remuneration of factors of production.
 - C goods and services.
 - D the remuneration for goods and services.

4. Assume the government is added to this representation. This will lead to an increase in the consumption of:
 - (i) domestic goods and services.
 - (ii) foreign goods and services.
 - (iii) domestic factors of production.
 - (iv) foreign production factors.
 - A (i) and (ii)
 - B (ii) and (iii)
 - C (iii) and (iv)
 - D (i) and (iv)

5. The factor market is any place where:
- A households sell products and businesses buy products.
 - B households sell resources and businesses buy resources.
 - C businesses sell resources and households buy resources.
 - D businesses sell products and households buy products.
6. In this representation of the economy, the flow of goods and services is shown as a:
- A counterclockwise real flow.
 - B counterclockwise money flow.
 - C clockwise real flow.
 - D clockwise money flow.
7. Money that flows from the government to companies and to households is respectively known as:
- A subsidies and transfer payments.
 - B transfer payments and subsidies.
 - C taxes and investments.
 - D investments and taxes.
8. All of the following, except ONE, is an example of money flows between the government and companies. Which one is the exception?
- A Non-interest-bearing loans.
 - B Loan guarantees.
 - C Tax concessions.
 - D Public facilities provided at low profit mark-up.

The following is an extract from the SARB Quarterly Bulletin (December 2020). Answer questions 9 and 10.

R million	2019	2020
Compensation of employees	2 734 173	2 655 034
Net operating surplus	1 473 181	1 481 097
Consumption of fixed capital	725 794	753 852
Taxes on production	117 394	119 138
Subsidies on production	11 256	11 249
Taxes on products	580 753	538 007
Subsidies on products	15 006	14 804

Extract from KB601

9. The difference between the gross value added at factor cost and the gross value added at basic prices for 2020 is:
- A 107 889
 - B 130 387
 - C 523 203
 - D 552 811

10. Which of the following is NOT included in the net operating surplus?

- A Monthly payments tenants make to landlords.
- B Wages and salaries received by households.
- C Interest households receive on savings deposits.
- D Depreciation of rental properties.

The following is an extract from the SARB Quarterly Bulletin (December 2020). Answer questions 11, 12 and 13.

R million	2013	2015	2018	2020
Gross national income at market prices	3 775 107	4 319 512	5 208 245	5 428 519
Real gross national income	4 201 574	4 319 512	4 484 716	4 377 699

Extract from KB601

11. In order to calculate the GNI per capita, the:

- A GDP must be deflated when prices rise and inflated when prices fall.
- B GNI must be divided by the number of citizens of a country.
- C real GNI must be multiplied with the GDP-deflator.
- D GNI must be based on prices that prevailed in a base year.

12. Which year is the base year?

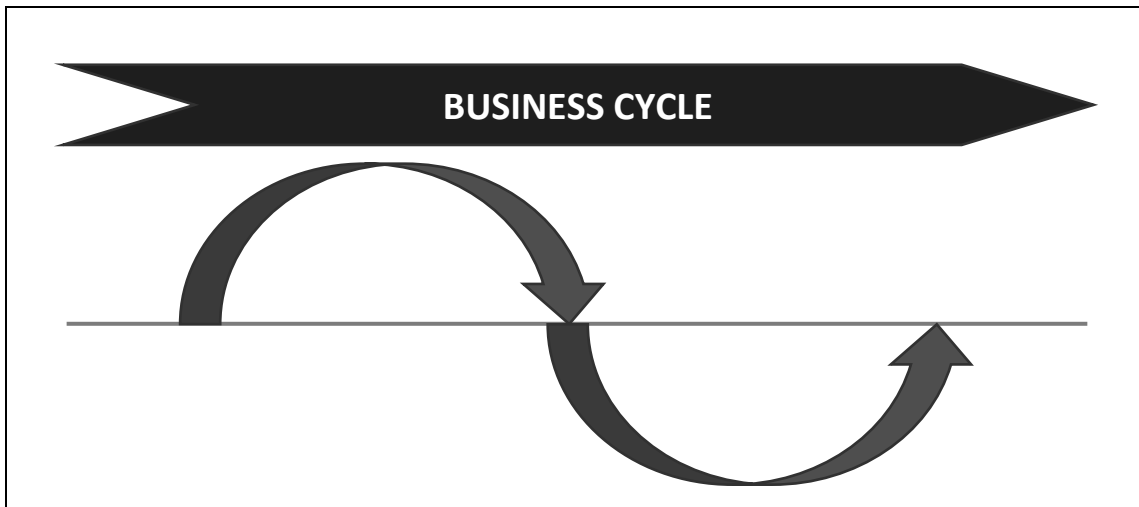
- A 2013
- B 2015
- C 2018
- D 2020

13. Calculate the GDP-deflator for 2013.

- A -426 467
- B +426 467
- C +11.3%
- D +10.2%

BUSINESS CYCLES

Study the following representation of the business cycle and answer questions 14 to 19.

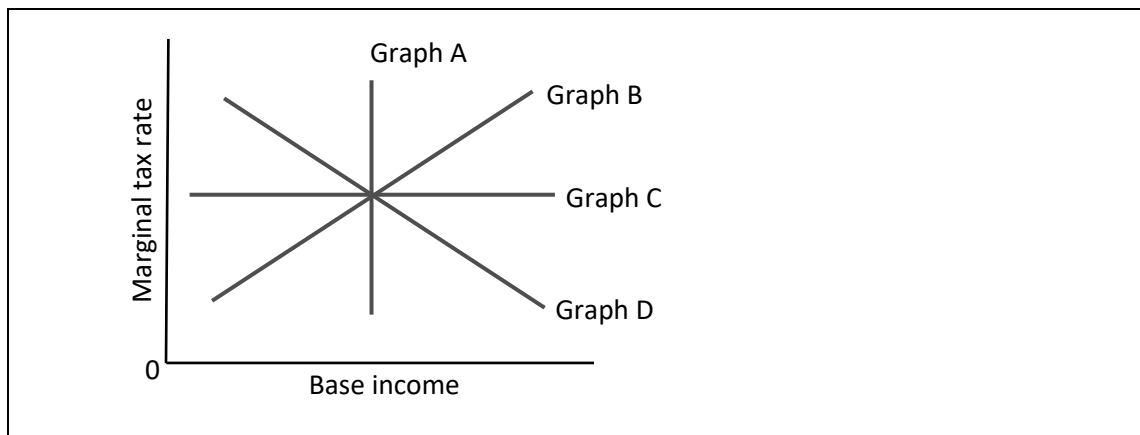


14. A typical business cycle goes through four phases, namely:
- A recovery, optimisation, regression and growth.
 - B demand, supply, equilibrium and balance.
 - C summit, depression, decline and incline.
 - D peak, recession, trough and expansion.
15. The phase between the trough and a peak can best be described as:
- A a recovery point.
 - B an expansion phase.
 - C a contraction phase.
 - D an optimal output point.
16. During the recession phase, the economic growth rate on a year-to-year basis is:
- A negative, at an increasing rate.
 - B negative, at a decreasing rate.
 - C positive, at an increasing rate.
 - D positive, at a decreasing rate.
17. The slow-down in economic activities due to the lockdown periods during COVID-19 can be best described as a result of:
- A exogenous reasons.
 - B endogenous reasons.
 - C structural reasons.
 - D monetary reasons.

18. In an effort to stimulate the economy by means of fiscal measures, the government must:
- A increase government spending.
 - B decrease government spending.
 - C increase the money supply.
 - D decrease the money supply.
19. Which one of the following changes in aggregate demand and aggregate supply will lead to a decrease in economic growth?
- A An increase in aggregate demand while aggregate supply remains constant.
 - B An increase in aggregate supply while aggregate demand remains constant.
 - C A decrease in aggregate demand and a decrease in aggregate supply.
 - D An increase in aggregate demand and an increase in aggregate supply.

THE PUBLIC SECTOR

20. The SARB adapts the national income statistics in each new issue of the SARB Bulletin. The statistics, as adapted for the years prior to 2022, is calculated using:
- A historical data.
 - B econometric models.
 - C extrapolation.
 - D moving averages.
21. Which graph depicts tax on companies?



- A Graph A
 - B Graph B
 - C Graph C
 - D Graph D
22. The government purchases more masks and gives it to citizens for personal protection during the COVID-19 pandemic. This is classified as:
- A government spending.
 - B government investment.
 - C monetary policy.
 - D fiscal policy.

23. The government produces public goods. Which of the following characteristics are necessary for a good or service to be classified as public goods?
- (i) Rivalry
 - (ii) Non-rivalry
 - (iii) Excludability
 - (iv) Non-excludability
- A Only (i)
B (i) and (ii)
C (i) and (iii)
D (ii) and (iv)
24. It is the role of government to reallocate resources from the production of private goods to the production of public goods. How does the government fulfil this role?
- A Government will increase private demand for private goods.
B Government will increase taxes on households and private businesses.
C Government will decrease government spending.
D Government will decrease government investment.
25. Which one of the following is true? In a free market, there will be:
- A overconsumption of merit goods and underconsumption of demerit goods.
B overconsumption of both merit goods and demerit goods.
C underconsumption of merit goods and overconsumption of demerit goods.
D underconsumption of both merit goods and demerit goods.
26. Which one of the following statements with reference to quasi-public goods are incorrect?
- A Quasi-public goods have characteristics of both public and private goods.
B The private sector provides all quasi-public goods as government lacks the initiative to produce them.
C The government will produce quasi-public goods as the private sector under-allocates resources to their production.
D Quasi-public goods include goods and services such as education, roads, police, firefighting, museums, preventative medicines and waste disposal.

FOREIGN EXCHANGE MARKETS

27. Which one of the following best describes an advantage of international trade?
- A International trade encourages a country to specialise in producing those goods and services which it can produce at a higher cost, thus increasing the profit opportunity as a result of higher selling prices.
B International trade lowers competition and increases world prices, which provides benefits to consumers by raising the purchasing power of their own income, and leads to a rise in producer surplus.
C The quality of goods and services can increase as competition encourages innovation, design, and the application of new technologies.

- D Local producers who can supply a unique product tailored to meet the needs of the domestic market, can sell their products at higher prices because consumers will not be interested in cheaper imports.
28. Jabu and Jessica are working in a small factory where they make dolls for the export market. Jessica can make 22 units of Doll A and 26 units of Doll B in one day. Jabu can make 20 units of Doll A and 12 units of Doll B in one day. According to the information provided:
- A Jabu should not produce dolls at all.
B both should continue to produce the number of units they are currently producing.
C Jessica should specialise in Doll A and Jabu should specialise in Doll B.
D Jabu should specialise in Doll A and Jessica should specialise in Doll B.

Study the following information and answer questions 29 and 30.

February 2020	€1.00 : R17.50
February 2021	€1.00 : R18.50

29. From February 2020 to February 2021 the Rand _____ against the Euro.
- A appreciated
B depreciated
C devaluated
D revaluated
30. In both years, a South African company imported 100 000 kg of tea from Europe at €10 per kg. Import duties are calculated as 10 cents per kg. What will the difference be between the import duties payable each year?
- A R0
B R1.00
C R100 000
D R1 000 000

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ECONOMICS

GRADE 12

Olympiad Paper

Round Two

Marks: 30

Time: 1 hour

Date: 04 Aug 2021

Instructions

1. Complete questions on the ANSWER SHEET provided.
2. Complete all information on the ANSWER SHEET.
3. The ANSWER SHEET consist of 4 sections. Please select the correct section/subject.
4. There are 4 possible answers per question (A B C D)
Only one answer is correct.
Colour a circle completely.
5. Good luck!



PERIODIC TABLE OF THE ELEMENTS



<p>Atomic Number → 1 ← Symbol</p> <p>Name → Hydrogen ← Atomic Weight</p> <p>Electrons per shell → 1</p>																<p>18 VIII A He Helium 4.0026 2</p>	
<p>State of matter (color of name) GAS LIQUID SOLID UNKNOWN</p> <p>Subcategory in the metal-metalloid-nonmetal trend (color of background) Alkali metals Lanthanides Metalloids Alkaline earth metals Actinides Reactive nonmetals Transition metals Post-transition metals Noble gases</p> <p>Unknown chemical properties</p>																<p>10 VIIIA Ne Neon 20.180 2-8</p>	
<p>1 IA H Hydrogen 1.008 1</p>																<p>2 IIA Be Beryllium 9.012 2-2</p>	
<p>3 IIIB Li Lithium 6.94 2-1</p>																<p>4 IIA Be Beryllium 9.012 2-2</p>	
<p>5 IIIB B Boron 10.81 2-3</p>																<p>6 IVA C Carbon 12.01 2-4</p>	
<p>7 VA N Nitrogen 14.007 2-5</p>																<p>8 VIA O Oxygen 15.999 2-6</p>	
<p>9 VIIA F Fluorine 18.998 2-7</p>																<p>10 VIIIA Ne Neon 20.180 2-8</p>	
<p>11 IIA Na Sodium 22.98976928 2-8-1</p>																<p>12 IIIB Mg Magnesium 24.305 2-8-2</p>	
<p>13 IIIB Al Aluminum 26.982 2-8-3</p>																<p>14 IIIA Si Silicon 28.0855 2-8-4</p>	
<p>15 IIIA P Phosphorus 30.974 2-8-5</p>																<p>16 IIIA S Sulfur 32.06 2-8-6</p>	
<p>17 IIIA Cl Chlorine 35.45 2-8-7</p>																<p>18 IIIA Ar Argon 39.948 2-8-8</p>	
<p>19 IIIB K Potassium 39.0983 2-8-8-1</p>																<p>20 IIIB Ca Calcium 40.078 2-8-8-2</p>	
<p>21 IIIB Sc Scandium 44.955908 2-8-9-2</p>																<p>22 IIIB Ti Titanium 47.88 2-8-10-2</p>	
<p>23 IIIB V Vanadium 50.9415 2-8-11-2</p>																<p>24 IIIB Cr Chromium 51.9961 2-8-11-2</p>	
<p>25 IIIB Mn Manganese 54.938044 2-8-13-2</p>																<p>26 IIIB Fe Iron 55.845 2-8-13-2</p>	
<p>27 IIIB Co Cobalt 58.933 2-8-15-2</p>																<p>28 IIIB Ni Nickel 58.693 2-8-16-2</p>	
<p>29 IIIB Cu Copper 63.546 2-8-18-1</p>																<p>30 IIIB Zn Zinc 65.38 2-8-18-2</p>	
<p>31 IIIB Ga Gallium 69.723 2-8-18-3</p>																<p>32 IIIB Ge Germanium 72.63 2-8-18-4</p>	
<p>33 IIIB As Arsenic 74.9216 2-8-18-5</p>																<p>34 IIIB Se Selenium 78.9718 2-8-18-6</p>	
<p>35 IIIB Br Bromine 79.904 2-8-18-7</p>																<p>36 IIIB Kr Krypton 83.798 2-8-18-8</p>	
<p>37 IIIB Rb Rubidium 85.4678 2-8-18-8-1</p>																<p>38 IIIB Sr Strontium 87.62 2-8-18-8-2</p>	
<p>39 IIIB Y Yttrium 88.90584 2-8-18-9-2</p>																<p>40 IIIB Zr Zirconium 91.224 2-8-18-10-2</p>	
<p>41 IIIB Nb Niobium 92.90637 2-8-18-10-2</p>																<p>42 IIIB Mo Molybdenum 95.95 2-8-18-10-2</p>	
<p>43 IIIB Tc Technetium (98) 98 2-8-18-10-2</p>																<p>44 IIIB Ru Ruthenium 101.07 2-8-18-10-2</p>	
<p>45 IIIB Rh Rhodium 102.91 2-8-18-10-2</p>																<p>46 IIIB Pd Palladium 106.42 2-8-18-10-2</p>	
<p>47 IIIB Ag Silver 107.87 2-8-18-10-1</p>																<p>48 IIIB Cd Cadmium 112.41 2-8-18-10-2</p>	
<p>49 IIIB In Indium 114.82 2-8-18-10-3</p>																<p>50 IIIB Sn Tin 118.71 2-8-18-10-4</p>	
<p>51 IIIB Sb Antimony 121.76 2-8-18-10-5</p>																<p>52 IIIB Te Tellurium 127.6 2-8-18-10-6</p>	
<p>53 IIIB I Iodine 126.905 2-8-18-10-7</p>																<p>54 IIIB Xe Xenon 131.29 2-8-18-10-8</p>	
<p>55 IIIB Cs Cesium 132.90545196 2-8-18-8-1</p>																<p>56 IIIB Ba Barium 137.327 2-8-18-10-2</p>	
<p>57-71 IIIB Lanthanides</p>																<p>72 IIIB Hf Hafnium 178.49 2-8-18-10-2</p>	
<p>73 IIIB Ta Tantalum 180.94788 2-8-18-10-2</p>																<p>74 IIIB W Tungsten 183.84 2-8-18-10-2</p>	
<p>75 IIIB Re Rhenium 186.21 2-8-18-10-2</p>																<p>76 IIIB Os Osmium 190.23 2-8-18-10-2</p>	
<p>77 IIIB Ir Iridium 192.22 2-8-18-10-2</p>																<p>78 IIIB Pt Platinum 195.08 2-8-18-10-1</p>	
<p>79 IIIB Au Gold 196.97 2-8-18-10-1</p>																<p>80 IIIB Hg Mercury 200.59 2-8-18-10-2</p>	
<p>81 IIIB Tl Thallium 204.38 2-8-18-10-3</p>																<p>82 IIIB Pb Lead 207.2 2-8-18-10-4</p>	
<p>83 IIIB Bi Bismuth 208.98 2-8-18-10-5</p>																<p>84 IIIB Po Polonium (209) 209 2-8-18-10-6</p>	
<p>85 IIIB At Astatine (210) 210 2-8-18-10-7</p>																<p>86 IIIB Rn Radon (222) 222 2-8-18-10-8</p>	
<p>87 IIIB Fr Francium (223) 223 2-8-18-10-8-1</p>																<p>88 IIIB Ra Radium (226) 226 2-8-18-10-8-2</p>	
<p>89-103 IIIB Actinides</p>																<p>104 IIIB Rf Rutherfordium (261) 261 2-8-18-10-10-2</p>	
<p>105 IIIB Db Dubnium (268) 268 2-8-18-10-10-2</p>																<p>106 IIIB Sg Seaborgium (269) 269 2-8-18-10-10-2</p>	
<p>107 IIIB Bh Bohrium (270) 270 2-8-18-10-10-2</p>																<p>108 IIIB Hs Hassium (277) 277 2-8-18-10-10-2</p>	
<p>109 IIIB Mt Meitnerium (276) 276 2-8-18-10-10-2</p>																<p>110 IIIB Ds Darmstadtium (281) 281 2-8-18-10-10-1</p>	
<p>111 IIIB Rg Roentgenium (282) 282 2-8-18-10-10-2</p>																<p>112 IIIB Cn Copernicium (285) 285 2-8-18-10-10-2</p>	
<p>113 IIIB Nh Nihonium (286) 286 2-8-18-10-10-3</p>																<p>114 IIIB Fl Flerovium (289) 289 2-8-18-10-10-4</p>	
<p>115 IIIB Mc Moscovium (290) 290 2-8-18-10-10-5</p>																<p>116 IIIB Lv Livermorium (293) 293 2-8-18-10-10-6</p>	
<p>117 IIIB Ts Tennessine (294) 294 2-8-18-10-10-7</p>																<p>118 IIIB Og Oganesson (294) 294 2-8-18-10-10-8</p>	
<p>57 IIIB La Lanthanum 138.91 2-8-18-10-9-2</p>																<p>58 IIIB Ce Cerium 140.12 2-8-18-10-9-2</p>	
<p>59 IIIB Pr Praseodymium 140.91 2-8-18-10-9-2</p>																<p>60 IIIB Nd Neodymium 144.24 2-8-18-10-9-2</p>	
<p>61 IIIB Pm Promethium (145) 145 2-8-18-10-9-2</p>																<p>62 IIIB Sm Samarium 150.36 2-8-18-10-9-2</p>	
<p>63 IIIB Eu Europium 151.96 2-8-18-10-9-2</p>																<p>64 IIIB Gd Gadolinium 157.25 2-8-18-10-9-2</p>	
<p>65 IIIB Tb Terbium 158.93 2-8-18-10-9-2</p>																<p>66 IIIB Dy Dysprosium 162.50 2-8-18-10-9-2</p>	
<p>67 IIIB Ho Holmium 164.93 2-8-18-10-9-2</p>																<p>68 IIIB Er Erbium 167.26 2-8-18-10-9-2</p>	
<p>69 IIIB Tm Thulium 168.93 2-8-18-10-9-2</p>																<p>70 IIIB Yb Ytterbium 173.05 2-8-18-10-9-2</p>	
<p>71 IIIB Lu Lutetium 174.97 2-8-18-10-9-2</p>																<p>89 IIIB Ac Actinium (227) 227 2-8-18-10-9-2</p>	
<p>90 IIIB Th Thorium 232.04 2-8-18-10-10-2</p>																<p>91 IIIB Pa Protactinium 231.04 2-8-18-10-10-2</p>	
<p>92 IIIB U Uranium 238.03 2-8-18-10-10-2</p>																<p>93 IIIB Np Neptunium (237) 237 2-8-18-10-10-2</p>	
<p>94 IIIB Pu Plutonium (244) 244 2-8-18-10-10-2</p>																<p>95 IIIB Am Americium (243) 243 2-8-18-10-10-2</p>	
<p>96 IIIB Cm Curium (247) 247 2-8-18-10-10-2</p>																<p>97 IIIB Bk Berkelium (247) 247 2-8-18-10-10-2</p>	
<p>98 IIIB Cf Californium (251) 251 2-8-18-10-10-2</p>																<p>99 IIIB Es Einsteinium (252) 252 2-8-18-10-10-2</p>	
<p>100 IIIB Fm Fermium (257) 257 2-8-18-10-10-2</p>																<p>101 IIIB Md Mendelevium (258) 258 2-8-18-10-10-2</p>	
<p>102 IIIB No Nobelium (259) 259 2-8-18-10-10-2</p>																<p>103 IIIB Lr Lawrencium (260) 260 2-8-18-10-10-2</p>	

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PROVERTO EMS OLYMPIAD 2021 – GRADE 12

ECONOMICS

ROUND 2

PROTECTIONISM AND FREE TRADE

1. On 30 April 2021, Halima Gikandi, wrote in an article on www.Pri.org that South Africa's resumption of COVID-19 vaccinations has coincided with an extra 1.1 million vaccine doses that were produced locally by South African company Aspen Pharmacare.

This is an example of:

- A regulating national trade.
 - B import substitution.
 - C protection.
 - D export promotion.
2. Which one of the following descriptions regarding trade agreements is correct?
- A A unilateral trade agreement occurs when two or more countries impose trade restrictions on a specific country and no other country reciprocates.
 - B Bilateral trade agreements occur where two countries agree to loosen trade restrictions to expand business opportunities between them by lowering tariffs and confer preferred trade status on each other.
 - C Multilateral trade agreements refer to agreements by more than one country and cover a larger geographic area, which confers a greater competitive advantage on the signatories.
 - D A non-lateral trade agreement standardises regulations, labour standards and environmental protections, thus reducing the regulations and giving the country's exporters a competitive advantage over its foreign competitors.
3. Quotas and tariffs are tools that can be used to protect domestic markets.

A tariff differs from a quota in the sense that a tariff refers to:

- A imports and quotas to exports.
- B exports and quotas to imports.
- C a surcharge levied on exports, where quotas limit the number of goods that can be exported.
- D a surcharge levied on imports, where quotas limit the number of goods that can be imported.

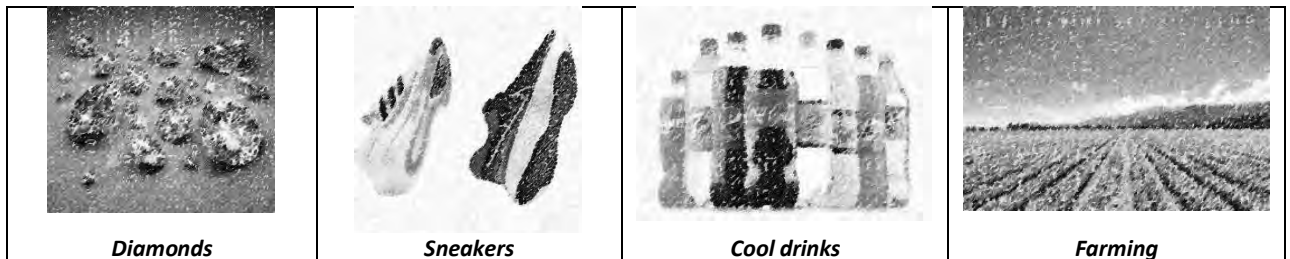
4. South Africa imposes an import quota or tariff on French wine. This leads to an increase in the price of wine overall.

What will most probably be the effect on both domestic wine consumers and domestic wineries?

- A Domestic wine consumers will be hurt by the increase in prices, and domestic wineries will benefit from the higher prices.
- B Both domestic wine consumers and domestic wineries will be negatively impacted, but this will be compensated for by a decline in deaths caused by motor vehicle accidents.
- C Both domestic wine consumers and domestic wine producers will be negatively impacted because of a reduction in competition from overseas.
- D Domestic wine consumers will be affected, but the domestic wine producers will lose business as a result of the higher prices.

THE DYNAMICS OF IMPERFECT MARKETS

5. Which ONE of the following is the best example of firms in a perfectly competitive market?



A

B

C

D

6. What is the maximum profit that the factory can make from production?

Quantity (Q)	Marginal Revenue (MR)	Marginal Cost (MC)	Marginal Profit (MP)	Total Profit (TP)
1	1200	500		
2	1000	275		
3	800	225		
4	600	250		
5	400	400		
6	200	850		
7	0	1500		
8	-200	2400		

- A R2 000 when he produces 4 units, as $MR > MC$.
- B R2 350 when he produces 5 units, as $MR > MC$.
- C R2 350 when he produces 5 units, as $MR = MC$.
- D R1 700 when he produces 6 units, as $MR < MC$.

7. Calculate the marginal cost (MC) and marginal revenue (MR) when the output increases from 3 to 4 units.

Quantity (Q)	Price (P)	Total Revenue (TR)	Total Cost (TC)
1	1 200	1 200	500
2	1 100	2 200	750
3	1 000	3 000	1 000
4	900	3 600	1 250
5	800	4 000	1 650
6	700	4 200	2 500
7	600	4 200	4 000
8	500	4 000	6 400

	MC	MR
A	400	400
B	250	600
C	200	850
D	350	900

8. If an input is owned and used by a firm, then its:
- A explicit cost is zero.
 - B implicit cost is zero.
 - C opportunity cost is zero.
 - D economic cost is zero.
9. Which of the following short-run cost curves declines continuously as production increases?
- A Average total cost
 - B Marginal cost
 - C Average fixed cost
 - D Average variable cost
10. Which of the following is correct?
- A Perfect competition is when a few firms produce homogeneous goods.
 - B Monopolistic competition is when many firms produce differentiated goods.
 - C Oligopoly is when many firms produce differentiated goods.
 - D Monopoly is when one firm produces homogenous goods.

MARKET FAILURES

11. Which one of the following circumstances does NOT depict market failure?
- A Sellers and buyers in the market have access to important information that would affect a buyer's decision-making.
 - B The market lacks competition because one or a few providers have a disproportionate amount of power within that market.
 - C An individual's consumption doesn't affect another's ability to access that good or service, and some individuals benefit from the good being provided.
 - D Costs and benefits are unbalanced for providers in the market.

- 12.** Which of the following will be regarded as market failures?
- (i) Air and noise pollution, as it imposes costs on third parties.
 - (ii) Public education, due to costs on tax payers.
 - (iii) Online shopping, due to limited internet access and information.
 - (iv) Public library where books can be borrowed at no cost.
- A** (i), (iii) and (iv)
B (i), (ii) and (iv)
C (ii) and (iii)
D (i), (ii), (iii) and (iv)
- 13.** Which of the following can be seen as ways that businesses and government respond to market failures?
- (i) Designated smoking areas in restaurants.
 - (ii) Nutritional information is indicated on food labels.
 - (iii) Advertising time is sold on radio.
 - (iv) Paid parking at the airport.
- A** (i), (ii) and (iii)
B (ii) and (iv)
C (ii), (iii) and (iv)
D (iii) and (iv)
- 14.** Which of the following can be seen as the effects/results of market failures?
- (i) No business is willing to supply a good or service, despite there being a demand.
 - (ii) The business may be a monopoly and can restrict supply in order to keep prices high.
 - (iii) As a result of taxes, farmers significantly overproduce goods and as a result much of it must be thrown away.
 - (iv) Society gains a benefit that is not paid for directly by the consumer of the good.
- A** (i), (iii) and (iv)
B (i), (ii) and (iv)
C (ii) and (iii)
D (i), (ii), (iii) and (iv)

THE DYNAMICS OF PERFECT MARKETS

- 15.** Perfect competition is an industry with:
- A** many buyers and many sellers.
B only one or two buyers, but many sellers.
C many buyers, but only one or two sellers.
D only one or two buyers and one or two sellers.

16. Clear Water Ltd. is a perfectly competitive firm.

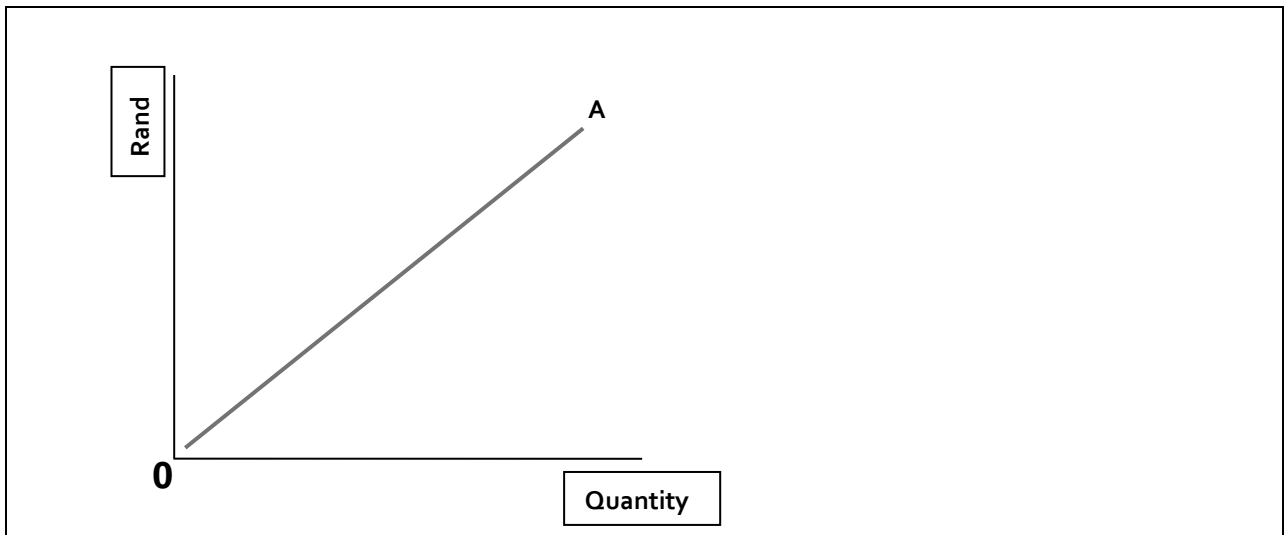
The demand for water from Clear Water Ltd. has:

- A elasticity equal to the price of water.
- B unitary elasticity.
- C infinite elasticity.
- D zero elasticity.

17. Flipper Good sells fried fish and operates in a perfectly competitive environment. In order to maximise their economic profit, they will sell their fried fish:

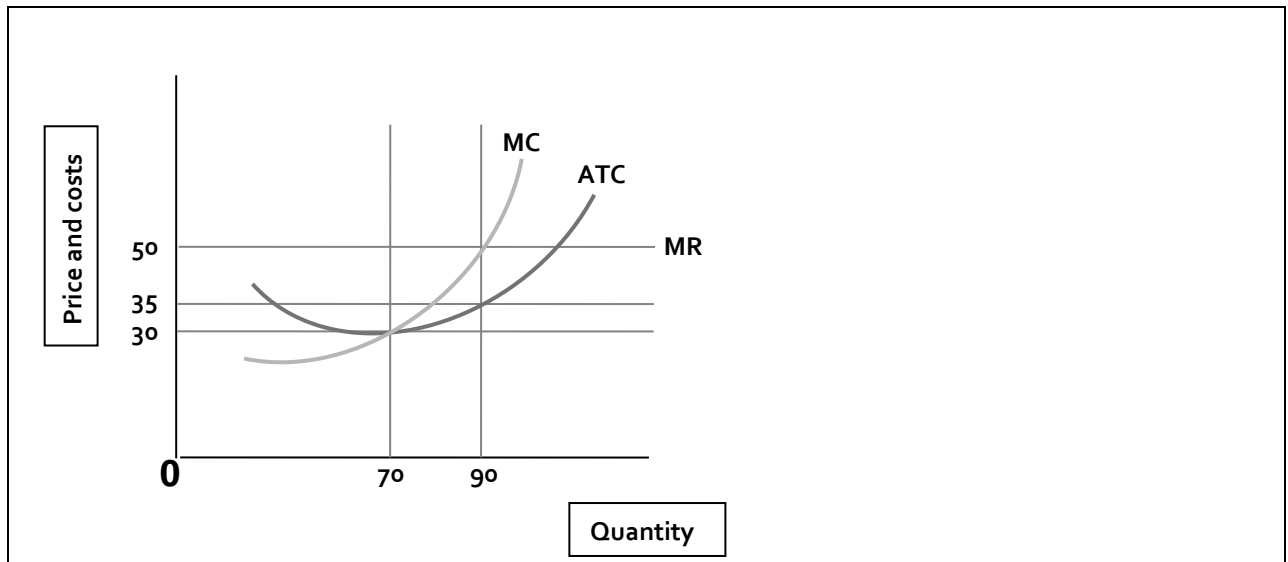
- A at market price.
- B above market price.
- C below market price.
- D at total market price.

18. The following graph shows the total revenue line of Charlie's Chocolates. Charlie's Chocolates operates in a ____ market.



- A monopolistic competition
- B monopoly
- C oligopoly
- D perfect competition

The following graph shows the marginal cost and the average total cost curves of Firm T.



19. In this graph, the firm is making a:

- A profit of $(90 \times 50) - (90 \times 35)$.
- B loss of $(90 \times 35) - (90 \times 50)$.
- C profit of $(90 \times 35) - (70 \times 35)$.
- D loss of $(70 \times 35) - (90 \times 35)$.

THE CIRCULAR FLOW, NATIONAL AGGREGATES AND BUSINESS CYCLES

20. During the _____ phase of the business cycle, both the velocity of money supply and investment is high.

- A expansion
- B recovery
- C recession
- D depression

21. Which one of the following best describes a complete business cycle?

- A Expansion, Peak, Recession, Depression, Trough, Recovery.
- B Expansion, Recession, Depression, Recovery.
- C Depression, Recession, Expansion, Recovery.
- D Depression, Trough, Recession, Expansion, Peak, Recovery.

22. Where can injections be found in the standard circular flow model of the macro economy of a country?

- A Households
- B Producers
- C Product market
- D Factors of production market

- 23.** The level of economic activity in a country will:
- A** change irrespective of changes in either injections or withdrawals.
 - B** grow if the value of injections is greater than the value of withdrawals.
 - C** increase if $S + T - M = I + G - X$.
 - D** grow if there is no influence from the financial, foreign and government sectors.
- 24.** South Africa sent doctors to Botswana to help with curbing the spread of COVID-19.
- The remuneration paid to them will:
- A** have no influence on the national figures of South Africa.
 - B** have no influence on the national figures of Botswana.
 - C** be added to the GNP of South Africa.
 - D** be added to the GNP of Botswana.

THE PUBLIC SECTOR, FOREIGN EXCHANGE MARKET, EXCHANGE RATES AND THE BALANCE OF PAYMENTS

- 25.** Which of the following is not a typical macro economic issue?
- A** A situation of constantly rising prices of commodities and factors of production.
 - B** Periodic fluctuations in the levels of economic or business activities.
 - C** The trend in the nation's total output over the short run.
 - D** The rate at which a country's economy is exchanged for another currency.
- 26.** Which one of the following can be seen as a way government can influence economic growth by means of supply-side policies?
- A** Cutting taxes to increase disposable income and encourage spending.
 - B** Lowering the repo-rate.
 - C** Influencing the willingness to work.
 - D** Privatisation and deregulation.
- 27.** The Balance of Payments of Country C shows a trade surplus.
- This means that there is a:
- A** net inflow of domestic currency from foreign markets.
 - B** net inflow of foreign currency from foreign markets.
 - C** a real outflow of domestic currency from foreign markets.
 - D** a real outflow of foreign currency from foreign markets.
- 28.** On 30 March 2021 Reuters wrote in an article that South Africa recorded foreign direct investment (FDI) inflows of 16.0 billion rand (www.reuters.com).
- Which one of the following is not seen as FDI?
- A** A foreign investor purchases shares in a company in South Africa.
 - B** A foreign investor sets up a new company in South Africa.
 - C** A foreign investor expands the operation of an existing company in South Africa.
 - D** A foreign investor borrows funds from a company in South Africa.

- 29.** An appreciation of the South African Rand against the Yen will lead to a/an:
- A** decrease in South Africa's exports to Japan, and worsen the South African current account balance.
 - B** decrease in South Africa's imports from Japan, and improve the South African current account balance.
 - C** increase in South Africa's exports to Japan, and improve the South African current account balance.
 - D** increase in Japan's imports from South Africa, and worsen the South African financial account.
- 30.** What would the effect of an appreciation of the Rand on the SA economy be?
- A** The foreign price of SA exports will increase.
 - B** Imported goods will be more expensive.
 - C** Lower economic growth as domestic aggregate demand will decrease.
 - D** Lower aggregate demand will lead to lower demand-pull inflation.

ECONOMICS

GRADE 12

Olympiad Paper

Round Two

Marks: 30

Time: 1 hour

Date: 3 August 2022

Instructions

1. Complete questions on the ANSWER SHEET provided.
2. Complete all information on the ANSWER SHEET.
3. The ANSWER SHEET consist of 4 sections. Please select the correct section/subject.
4. There are 4 possible answers per question (A B C D)
Only one answer is correct.
Colour a circle completely.
5. Good luck!



CIRCULAR FLOW

1. The circular flow model shows the relationship between:
 - A the primary, secondary and tertiary sectors in the economy.
 - B needs and wants in the economy.
 - C what to produce, how to produce, and for whom to produce.
 - D the various role players and their interdependence in the economy.

2. Which one of the following is true with regards to factor markets?
 - A Households employ resources from producers in exchange for factor remuneration.
 - B Households purchase final goods and services from producers as part of final consumption expenditure.
 - C Households sell their factors of production to firms in exchange for wages, interest, profits and rent.
 - D Firms and the government purchase goods for final and intermediate consumption.

NATIONAL AGGREGATES & MULTIPLIER

3. Which one of the following examples is NOT considered to be investment as seen in Economics?
 - A Agnes opens a fixed deposit for a 24-month term to get higher interest on her savings.
 - B Ben, a farmer, rebuilds a storage facility on his farm after it has burned down.
 - C Caroline updates her laptop with the latest version of the computer program she uses to do her job.
 - D Derick builds a new factory to produce personal protective wear.

4. An economist wants to compare the production output of various countries. Which one of the following must she study?
 - A Consumer price index.
 - B Gross domestic product.
 - C Unemployment rate.
 - D Index of leading indicators.

5. Which one of the following would you include when calculating the GDP of a country?
 - A A hairdresser cuts the hair of her children.
 - B A family contributes to the SPCA.
 - C A house is bought by a second owner.
 - D The army buys a new fighter jet.

6. Ethel has started her own business baking birthday cakes. Which of the following would be considered an intermediate good or service for her business?
 - A The baking tins and utensils she bought.
 - B The stove and other small appliances she bought.
 - C The ingredients she bought.
 - D The rent she pays for her workspace.

7. The following reflects the hypothetical economy of Country Z:

Year	Nominal GDP	Index (1990 = 100)	Index (2000 = 100)
1990	R500 000 000	100	(I)
2000	R1 200 000 000	200	100

If 2000 was the base year, the value of the index number indicated as (I) and rounded to the nearest whole number would be _____.

- A 0
- B 42
- C 100
- D 200

BUSINESS CYCLES

8. The South African government announced a decrease of R1.50 per litre in the fuel price as part of their two-month tax holiday initiative. This forms part of a/an _____ policy.
- A restrictive fiscal
 - B expansionary fiscal
 - C restrictive monetary
 - D expansionary monetary
9. The turning points of a business cycle is known as:
- A expansion and peak.
 - B peak and contraction.
 - C contraction and trough.
 - D peak and trough.
10. Which one of the following does not describe a typical characteristic of business cycles?
- A Business cycles vary in duration.
 - B Business cycles vary in intensity.
 - C Business cycles have a set pattern.
 - D Business cycles follow a perfectly timed sequence.

PUBLIC SECTOR

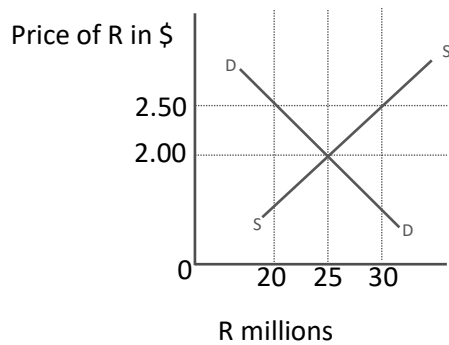
11. South Africa is deemed to have a mixed economy. This means that:
- A both the production sector and the service sector are important components of the economy as a whole.
 - B both labour and capital are major role players in the production of goods and services in the economy.
 - C goods and services are produced by either private or public firms, depending on the profitability of the products produced or services delivered.
 - D the labour force consists of both highly skilled workers and less skilled workers.
12. The transfer of ownership of assets from the public sector to the private sector is known as:

- A parastatal transfers.
 - B subsidies.
 - C nationalisation.
 - D privatisation.
13. The personal income tax system in South Africa is:
- A direct and progressive.
 - B direct and regressive.
 - C indirect and progressive.
 - D indirect and regressive.

INTERNATIONAL TRADE

14. The most compelling reason for trade is that:
- A some countries prefer to focus on the production of one product.
 - B resources are not equally distributed among countries.
 - C the opportunity to make profit is enhanced.
 - D interest rates are not the same in all countries.
15. International trade will most likely result in short-term unemployment in industries that:
- A focus only on national trade.
 - B focus only on international trade.
 - C are competing for imports.
 - D focus on both national and international trade.
16. Which one of the following is NOT a reason for international trade?
- A Production costs in one country is higher than in another country.
 - B Prices in one country are higher than in another country.
 - C The productivity of labour in one country is lower than in another country.
 - D One country gains political advantage over another if they import more and export less.
17. The government implements legislation that would limit the practice of foreign sourcing of motor vehicle parts. This legislation can be best described as:
- A tariff quotas.
 - B export subsidies.
 - C voluntary export quotas.
 - D local content requirement.

18. The following hypothetical graph shows the ZAR which is in equilibrium. What does the South African Reserve Bank have to do to achieve an exchange rate of ZAR1:USD2.50?



- A Buy R5 million.
 B Buy R10 million.
 C Sell R5 million.
 D Sell R10 million.

DYNAMICS OF PERFECT MARKETS

19. Products in this market type are so similar that buyers do not care from which business they buy the product. This scenario best describes:

- A perfect competition.
 B monopolistic competition.
 C monopoly.
 D oligopoly.

20. Marginal profit is calculated as:

Key: MR – Marginal revenue
 MC – Marginal cost
 TR – Total revenue
 TC – Total cost
 Q – Quantity

- A $MR + MC$
 B $MR - MC$
 C $TR + MC/Q$
 D $(TR + TC)/Q$

21. The market demand curve for a perfectly competitive industry is $QD = 24 - 2P$. The market supply curve is $QS = 6 + P$. The market will be in equilibrium if:

Key: P – Price
Q – Quantity
D – Demand
S – Supply

	P	Q
A	6	12
B	12	6
C	30	36
D	36	30

22. Which one of the following scenarios best describes the invisible hand principle?
- A Peter works at a bakery where he will promote a new line of cookies so that the business can break even on the new line.
- B Odette works in a clothing store and she will try to find a selling price that is in her best interest.
- C Norman makes home-cooked meals and delivers them to his customers. He will make as many meals as he knows he has customers to buy them.
- D Michelle is a substitute teacher and she will work the same number of hours as she gets paid for.

DYNAMICS OF IMPERFECT MARKETS

23. A large number of manufacturers are all selling an identical product. This implies that:
- A the market supply curve is horizontal.
- B all the manufacturers (sellers) are incurring a loss.
- C a single manufacturer cannot change the price.
- D market chaos exists as demand and supply can never be in equilibrium.
24. Which one of the following would result in a natural monopoly?
- A A firm needs a government-issued licence before it can start to operate.
- B A single firm is able to produce at a lower average cost than two or more competitors.
- C A firm has an exclusive right to deliver a specific service.
- D A firm owns all the patented inputs needed for the production of a specific product.
25. Firm G receives a patent on a product H. Which one of the following statements is not correct?
- A Patents stimulate innovation, research and development.
- B A patent can be seen as a barrier to entry into a market.
- C A patent results in a permanent monopoly for a firm or industry.
- D Patents encourage improvement in the quality of goods.

26. Firm F is part of an industry with a large number of firms, differentiated products and free entry and exit to the industry. Firm F operates in a/an:
- A perfect competitive industry.
 - B oligopoly.
 - C monopolistic industry.
 - D monopolistic competitive industry.
27. A differentiated product has:
- A many perfect substitute products.
 - B a small number of perfect substitute products.
 - C similar, but not perfect, substitutes.
 - D absolutely no substitutes.
28. A trader, functioning in a monopolistic competitive market, undertakes a huge advertising campaign to convince buyers that its product has two advantages on its rivals' products, namely better quality and better value. Which one of the following best describes the possible effects of the campaign?

	Demand	Price-elasticity	Control over price
A	Decrease	More demand elastic	Less control over price
B	Decrease	Less demand elastic	Greater control over price
C	Increase	Less demand inelastic	Less control over price
D	Increase	More demand inelastic	Greater control over price

CAUSES AND EFFECTS OF MARKET FAILURES

29. Which one of the following statements about market failure is correct?
- A The existence of free riders will result in the over-production of public goods.
 - B Markets fail to supply merit goods.
 - C Small firms are usually less efficient than large firms due to diseconomies of scale.
 - D The social benefits of some private goods exceed the private benefits.
30. Which one of the following would an economist suggest that the government must implement to cope with a negative externality?
- A Sin tax
 - B Vouchers
 - C Patents
 - D Subsidies
-

ROUND 1 RONDE

GR 12 MEMO

**MEMORANDUM
2021**



ECONOMICS / EKONOMIE

	A	B	C	D	
1.	ANSWER	LOWER LEVEL			
2.		ANSWER	LOWER LEVEL		
3.	ANSWER	LOWER LEVEL			
4.		ANSWER	HIGHER LEVEL		
5.	ANSWER	LOWER LEVEL			
6.			ANSWER	HIGHER LEVEL	
7.				ANSWER	HIGHER LEVEL
8.		ANSWER	LOWER LEVEL		
9.				ANSWER	MODERATE LEVEL
10.			ANSWER	LOWER LEVEL	
11.			ANSWER	LOWER LEVEL	
12.				ANSWER	HIGHER LEVEL
13.	ANSWER	MODERATE LEVEL			
14.		ANSWER	HIGHER LEVEL		
15.				ANSWER	HIGHER LEVEL

	A	B	C	D	
16.		ANSWER	MODERATE LEVEL		
17.			ANSWER	MODERATE LEVEL	
18.	ANSWER	MODERATE LEVEL			
19.				ANSWER	MODERATE LEVEL
20.			ANSWER	MODERATE LEVEL	
21.				ANSWER	MODERATE LEVEL
22.		ANSWER	LOWER LEVEL		
23.		ANSWER	MODERATE LEVEL		
24.			ANSWER	LOWER LEVEL	
25.	ANSWER	HIGHER LEVEL			
26.				ANSWER	HIGHER LEVEL
27.				ANSWER	MODERATE LEVEL
28.		ANSWER	MODERATE LEVEL		
29.				ANSWER	MODERATE LEVEL
30.	ANSWER	HIGHER LEVEL			

ROUND 2 RONDE

	A	B	C	D	
1.		ANSWER	LOWER LEVEL		
2.		ANSWER	MODERATE LEVEL		
3.				ANSWER	MODERATE LEVEL
4.	ANSWER	HIGHER LEVEL			
5.				ANSWER	MODERATE LEVEL
6.			ANSWER	HIGHER LEVEL	
7.		ANSWER	HIGHER LEVEL		
8.		ANSWER	MODERATE LEVEL		
9.			ANSWER	LOWER LEVEL	
10.		ANSWER	LOWER LEVEL		
11.	ANSWER	MODERATE LEVEL			
12.				ANSWER	HIGHER LEVEL
13.	ANSWER	HIGHER LEVEL			
14.		ANSWER	HIGHER LEVEL		
15.	ANSWER	LOWER LEVEL			

	A	B	C	D	
16.			ANSWER	MODERATE LEVEL	
17.	ANSWER	LOWER LEVEL			
18.	ANSWER	HIGHER LEVEL			
19.	ANSWER	HIGHER LEVEL			
20.	ANSWER	MODERATE LEVEL			
21.	ANSWER	LOWER LEVEL			
22.			ANSWER	MODERATE LEVEL	
23.		ANSWER	MODERATE LEVEL		
24.			ANSWER	HIGHER LEVEL	
25.			ANSWER	MODERATE LEVEL	
26.				ANSWER	HIGHER LEVEL
27.	ANSWER	MODERATE LEVEL			
28.				ANSWER	HIGHER LEVEL
29.	ANSWER	HIGHER LEVEL			
30.	ANSWER	MODERATE LEVEL			

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ROUND ONE RONDE EEN

GR 12

ECONOMICS / EKONOMIE

1 <input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D	6 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D	11 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D	16 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D	21 <input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D	26 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
2 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D	7 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D	12 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D	17 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D	22 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D	27 <input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D
3 <input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D	8 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D	13 <input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D	18 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D	23 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D	28 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D
4 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D	9 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D	14 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input checked="" type="radio"/> D	19 <input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D	24 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D	29 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D
5 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D	10 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D	15 <input type="radio"/> A <input checked="" type="radio"/> B <input type="radio"/> C <input type="radio"/> D	20 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D	25 <input type="radio"/> A <input type="radio"/> B <input checked="" type="radio"/> C <input type="radio"/> D	30 <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D

1.C	6.A	11.B	16.D	21.C	26.B
2.D	7.A	12.B	17.A	22.A	27.C
3.C	8.D	13.C	18.A	23.D	28.D
4.D	9.A	14.D	19.C	24.B	29.B
5.B	10.B	15.B	20.A	25.C	30.A

ROUND TWO RONDE TWEE

GR 12

No	Answer	Level
1	D	Yellow
2	C	Green
3	A	Red
4	B	Green
5	D	Yellow
6	C	Yellow
7	B	Red
8	B	Yellow
9	D	Green
10	D	Yellow

No	Answer	Level
11	C	Red
12	D	Yellow
13	A	Green
14	B	Green
15	D	Yellow
16	D	Yellow
17	D	Red
18	A	Red
19	A	Yellow
20	B	Red

No	Answer	Level
21	A	Red
22	C	Red
23	C	Yellow
24	B	Red
25	C	Red
26	D	Yellow
27	C	Green
28	D	Red
29	D	Yellow
30	A	Red

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 - a minimum academic average of 65% for the required subjects aligned with the qualification you plan to study towards at university; and
- not have completed your grade 12 or senior certificate with mathematics literacy; and
- have successfully obtained admission approval to a South African public university or university of technology for the undergraduate qualification you plan to study towards.

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We screen bursary applications against our external bursary selection criteria and we award bursaries through the Nedbank Educational Trust, at the sole discretion of the trust.

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- participate in psychometric and other assessments; and
- attend an interview.

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Contact information

Email: Unlockyourambition@nedbank.co.za

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