PROVERTO
Educational Publishers • Opvoedkundige Uitgewers

free study guide

www.proverto.co.za

Guiding the leaders of tomorrow

2025

High School Olympiad Preparation Study Guide

Grade 11

ECONOMICS

PAST PAPER AND MEMO
ROUND ONE AND TWO
2022 * 2023 * 2024

UNIVERSITY OF JOHANNESBURG

DEPARTMENT OF FINANCE AND INVESTMENT MANAGEMENT

NELSON MANDELA UNIVERSITY

DUT
DURBAN UNIVERSITY OF TECHNOLOGY
INYUVESI YASETHEKWINI YEZOBUCHWEPHESHE
Creative. Distinctive. Impactful.

MILPARK EDUCATION

WSU
Walter Sisulu University
In pursuit of excellence

UFS
UNIVERSITY OF THE FREE STATE
UNIVERSITEIT VAN DIE VRYSTAAT
YUNIVESITHI YA FREISTATA

NELSON MANDELA UNIVERSITY

Change the World by applying for a qualification in one of the following study fields:

Accounting • Advertising • Afrikaans • Agricultural Management • Analytical Chemistry • Anthropology • Applied Design • Applied Mathematics • Architectural Technology • Architecture • Art • Auditing • Biochemistry • Biokinetics • Botany • Broadcasting • Building • Business Management • Business Studies • Ceramic Design • Chemistry • Civil Engineering • Clinical Psychology • Computer Science • Communication Networks (IT) • Conservation Biology • Construction Economics • Construction Management • Construction Studies • Counselling Psychology • Chemical Process Technology • Development Studies • Dietetics • Economics • Ecology • Education • Electrical Engineering • English • Environmental Health • Environmental Management • Emergency Medical Care (Paramedic) • Fashion • Financial Accounting • Financial Planning • Fine Art • Foundation Phase Teaching • Forestry • French • FET Teaching • Game Ranch Management • Geography • Geology • Graphic Design • History • Hospitality Management • Human Movement Science • Human Resource Management • Human Settlement Development • Industrial Psychology • Industrial Engineering • Information Systems • Information Technology • Inorganic Chemistry • Interior Design • Internal Auditing • Inventory Management • Intermediate Phase Teaching • isiXhosa • Journalism • Language & Literature • Law • Logistics • Management • Marine Biology • Marine Engineering • Marketing • Mathematics • Mechanical Engineering • Mechatronics • Media, Communication & Culture • Microbiology • Music • Medical Laboratory Science • Medicine & Surgery • Nature Conservation • Nursing • Operations Management • Painting • Pharmacy • Philosophy • Physiology • Photography • Physics • Political Studies • Polymer Technology • Psychology • Public Administration • Public Management • Public Relations Management • Quality Management • Quantity Surveying • Radiography (Diagnostic) • Restoration Ecology • Renewable Energy • Sculpture • Senior Phase Teaching • Social Work • Sociology • Software Development • Sport Management • Sport Science • Statistics • Support Services (IT) • Taxation • Textile Design & Technology • Tourism • Transport Economics • User Support Services (IT) • Visual Arts • Wood Technology • Zoology

Change the World

E info@mandela.ac.za

T 041 504 1111

myfuture.mandela.ac.za

PROVERTO

NATIONAL HIGH SCHOOL OLYMPIAD

ANSWER SHEET

TODAY'S DATE (DAY MONTH YEAR) 2 0 GRADE

SCHOOL NAME

LEARNER SURNAME

FIRST NAME INITIALS DATE OF BIRTH Female Male

LEARNER EMAIL (If available)

LEARNER Mobile Number 0

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 damange this form

DUT

DURBAN UNIVERSITY OF TECHNOLOGY
INYUVESI YASETHEKWINI YEZOBUCHWEPHESHE

2025 Applications to Study @DUT

Open

FACULTY OF ACCOUNTING & INFORMATICS

FACULTY OF APPLIED SCIENCES

FACULTY OF ARTS & DESIGN

FACULTY OF ENGINEERING & THE BUILT ENVIRONMENT

FACULTY OF HEALTH SCIENCES

FACULTY OF MANAGEMENT SCIENCES

Apply today via the Central Applications Office (CAO):

WWW.CAO.AC.ZA

For more information on our programmes visit: www.dut.ac.za

DurbanUniversityOfTechnology @DUT_Tweets @DUTCampusTV @DUT_Official1
@DUT_Official Durban University Of Technology

ENVISION2030

transparency • honesty • integrity • respect • accountability
fairness • professionalism • commitment • compassion • excellence

CREATIVE. DISTINCTIVE. IMPACTFUL.

ECONOMICS
GRADE 11
ROUND 1 & 2

2024

PAST PAPER

MILPARK EDUCATION

EXPLORE OUR

Comprehensive Undergrad
ONLINE Programmes

Your Pathway to Success

Learn More

www.milpark.ac.za

We've got you. You've got this.

THE FACTORS OF PRODUCTION

1 As a factor of production labour can be described as _____

A the natural resources available for producing goods.
B the effort by individuals to create goods and services.
C the money used to buy tools and machinery for production.
D the process of starting a new business venture.

2 A farmer decides to use a high-tech irrigation system to water his crops, aiming to increase output. Which factor of production is he primarily enhancing?

A Land
B Labour
C Capital
D Entrepreneurship

3 Which of the following scenarios best illustrates **entrepreneurship** as a factor of production?

A A company hires more workers to meet the increased demand.
B A business owner decides to combine resources in a new manner to improve efficiency.
C A factory acquires a new machine to increase production.
D A farmer expands his land to cultivate more crops.

4 An entrepreneur is considering investing in new software to automate processes or in training for employees to improve their productivity. Which factor of production is being analysed in each option?

A Capital for both software and training.
B Capital for software and labour for training.
C Labour for both software and training.
D Entrepreneurship for software and capital for training.

5 A country's economy is faced with a shortage of skilled workers. Which one of the following strategies would be most effective in addressing this issue?

A Increase the amount of investment in machinery and automation.
B Enhance university and vocational training programs.
C Invest in more land for industrial development.
D Enhance direct foreign investment.

6 Which factor of production is remunerated by interest?

A Land
B Labour
C Capital
D Entrepreneurship

7 An entrepreneur identifies a gap in the market for a new app that simplifies online learning for students. Which of the following best describes the role of the entrepreneur in this context?

A Providing the labour to develop the app.
B Financing the development of the app through loans.
C Combining the factors of production to meet a market need.
D Purchasing the technology required to develop the app.

8 Which one of the following energy projects would be the most beneficial to pursue in South Africa, taking into consideration the environmental impact and sustainability?

A Expanding an existing coal-fired power plant.
B Constructing a new nuclear power station.
C Developing a large-scale wind farm.
D Drilling for natural gas in a wildlife refuge.

9 Which one of the following is an example of a non-renewable resource?

A Wind
B Solar energy
C Coal
D Trees

THE USE OF ECONOMIC GOODS AND SERVICES

10 What distinguishes a durable good from a non-durable good?

A The price of the good.
B The lifespan of the good.
C The colour of the good.
D The size of the good.

11 Which one of the following may be the most plausible reason for an increase in sales of durable goods during an economic boom?

A Consumers have less disposable income.
B Consumers are more willing to invest in long-term purchases.
C Durable goods become less expensive.
D Non-durable items are not available.

12 Why is it important to use **real GDP** instead of **nominal GDP** when comparing the GDP of two countries?

A Real GDP eliminates the effects of inflation, allowing a more accurate comparison of economic output.
B Real GDP includes the "unaccounted economy", while nominal GDP does not.
C Nominal GDP is always higher than real GDP.
D Real GDP accounts for population size, while nominal GDP does not.

13 If the nominal GDP of a country was R15 billion in 2021 and the nominal GDP of the country in 2022 was R18 billion, the percentage change is _____

A $-16{,}7\%$.
B $83{,}3\%$.
C $20{,}0\%$.
D $16{,}7\%$.

14 Which of the following factors would be essential to include if you were to create an economic model to predict real GDP growth?

A Only historical GDP figures.
B Inflation rates, investment, consumption, government spending, and net exports.
C Population size, taking births and the death rate into consideration.
D The total number of companies in the stock market.

15 What does Gross Fixed Capital Formation primarily measure?

A The total amount of services produced in an economy.
B The total value of a country's exports minus imports.
C The total value of a company's equity stock.
D The net investment in physical assets.

16 Calculate a country's gross capital formation if the GDP-deflator is 0.9 and the net capital formation is R300 million, and its depreciation is R150 million.

A R150 million
B R300 million
C R450 million
D R270 million

17 Country Z's consumption expenditure is R750 billion, investment expenditure is R200 billion, government spending is R125 billion, and net imports are R75 billion, what is the GDP?

A R1 075 billion
B R1 000 billion
C R1 050 billion
D R900 billion

18 Which of the following scenarios would likely lead to a decrease in GDP?

A A decrease in unemployment rates.
B An increase in government spending on healthcare.
C A significant rise in imports compared to exports.
D A surge in consumer confidence and consumer spending.

19 A country's GDP increased by 5% this year, indicating strong economic growth. What information might be missing to fully assess the country's economic health?

A The distribution of GDP growth across different sectors of the economy.
B The change in the country's population size.
C The rate of inflation or deflation affects the real GDP.
D All the above.

20 Given the criticism that GDP does not account for environmental degradation, which of the following adjustments would best address this issue for a more accurate measure of economic progress?

A Subtracting the cost of environmental damage from the GDP.
B Increasing GDP based on the amount of renewable energy produced.
C Ignoring environmental factors as they are not economic transactions.
D Adjusting GDP based on the population growth rate.

ECONOMIC SYSTEMS

21 Which of the following is a characteristic of a command economy?

A Prices are determined by supply and demand.
B Private property is abolished, and resources are owned by the government.
C Businesses are free to make their own production decisions.
D Consumers have complete freedom to buy what they want.

22 In a market economy, how are the problems of what and how to produce primarily solved?

A By the government through central planning.
B By a central authority that decides based on society's needs.
C Through the majority votes by the population on key economic decisions.
D Through the interaction of supply and demand in the market.

23 A country decides to move from a centrally planned economy to a market economy. Which of the following actions best represents this change?

A The government increases its control over the major industries.
B Private businesses are allowed to operate independently of government control.
C All property is nationalised to ensure equal distribution among citizens.
D The government sets fixed prices for all goods and services.

24 Which of the following scenarios best illustrates the concept of a mixed economy?

A A country where all resources are allocated by the government without any market forces.
B A country where the production of goods and services is based solely on demand and supply.
C A country that allows for private businesses but also has significant government regulation and public services.
D A nation that has abolished government and operates in anarchy.

25 Considering the goal of maximising income for factors of production, which economic system is most effective?

A Market economy
B Command economy
C Mixed economy
D Traditional economy

26 Imagine a new island nation is forming its economic system. The goal is to ensure high economic efficiency, innovation, and income equality. Which of the following economic policies should it prioritise?

A Implementing a strict command economy to control all economic activities.
B Establishing a market economy with strategic regulation to ensure fair competition and provide social welfare programs.
C Relying entirely on traditional economic practices and customs to guide economic activities.
D Allowing foreign companies to control all economic sectors to ensure efficiency.

THE ECONOMIC STRUCTURE OF SOUTH AFRICA

27 Which sector is the largest contributor to the South African economy?

A Agriculture
B Manufacturing
C Mining
D Services

28 How might South Africa's economic policies need to change to address unemployment effectively?

A Increasing taxes on mining companies.
B Enhancing vocational training programs.
C Reducing exports of raw materials.
D Expanding the agriculture sector.

29 Analyse the impact of global economic downturns on South Africa's economy. Which of the following sectors is most likely to be affected first?

A Agriculture
B Manufacturing
C Mining
D Services

30 Which one of the following will be the best strategy to diversify South Africa's economy to reduce dependence on the mining sector?

A Invest in technology and innovation to boost the manufacturing sector.
B Increase tariffs on imported goods to protect local industries.
C Focus solely on expanding the agriculture sector.
D Privatise state-owned enterprises to increase efficiency.

UNIVERSITY OF THE FREE STATE

APPLICATIONS 2026

NOW OPEN

READY TO MAKE AN IMPACT?

Join a university that's dedicated to shaping the leaders of tomorrow. Whether you're drawn to the arts, sciences, law, health, or any of our diverse fields of study, UFS is where your potential can truly unfold.

WHY CHOOSE UFS?

Innovation and Excellence: Our dynamic academic programmes across ***seven faculties*** are designed to push the boundaries of knowledge and innovation.

Inclusivity and Diversity: UFS prides itself on creating a vibrant, inclusive community where every student is valued and supported.

World-Class Facilities: From cutting-edge laboratories to extensive libraries and sports facilities, our campuses are equipped to support your academic journey and personal growth.

Community and Belonging: At UFS, you're more than just a number. You're part of a family committed to kindness, respect, and character.

APPLICATION DETAILS:

Opening Date: Applications for all undergraduate programmes at the Bloemfontein and Qwaqwa campuses are open as of ***1 April, 2025***.

Closing Dates: Please note the specific closing dates for various faculties and programmes, detailed in our prospectus and on our website.

How to Apply: Visit ***apply.ufs.ac.za*** to start your application process. It's quick, easy, and free!

#ChooseUFS #FutureLeaders #ApplyNow #FutureFocused

SCAN ME

Don't miss your chance to be part of the UFS family in 2025. Apply now and take the first step toward a bright, impactful future. **For more details on our programmes, admission requirements, and how to apply, please visit our**

We Are
#FutureFocused

T: +27 51 401 9111 | E: info@ufs.ac.za | www.ufs.ac.za

Inspiring excellence, transforming lives through quality, impact, and care.

Kovsie 2B | VISION 130 Renew and Reimagine for 2034 | UNIVERSITY OF THE FREE STATE UNIVERSITEIT VAN DIE VRYSTAAT YUNIVESITHI YA FREISTATA | UFS STUDENT RECRUITMENT SERVICES

FACTORS OF PRODUCTION

1. How do natural resources contribute to the production process?

A By providing the technology used in production.
B By offering the physical and intellectual support needed.
C By serving as raw materials that are converted into goods.
D By funding the production activities.

2. What role does remuneration play in the context of natural resources within an economy?

A It ensures that all employees in the economy receive adequate healthcare.
B It acts as a measure of the economic value of resource extraction.
C It provides a basis for determining the tax rate on products.
D It limits the number of natural resources that can be mined.

3. The consistent increase in the remuneration costs of natural resources on manufacturing firms has a definite impact on the business. Which one of the following outcomes is the most likely result of these continuous increases?

A Decreased cost of goods sold.
B Increased production efficiency.
C Increased product prices.
D Decreased corporate profit margins.

4. Satis is an imaginary country where the primary natural resource is its scenic landscapes which are visited by large numbers of tourists. What type of remuneration strategy would best support sustainable tourism?

A Charging high entry fees for tourists.
B Eliminating all charges to increase tourist numbers.
C Implementing a low flat rate tax for all tourism businesses.
D Offering tax incentives for environmentally friendly practices.

5. You are appointed as the Minister of Mineral and Energy Affairs after the 2024 elections. You are requested by the newly formed government to design a sustainable economic plan that incorporates the optimal use of South Africa's natural resources for production while ensuring minimal environmental impact. Which approach would be most effective?

A A ban on the export of natural resources, especially gold and coal that are used in generating electricity.
B Encouraging the use of renewable resources and investing in green technologies.
C Importing natural resources to preserve local ones.
D Maximising the extraction of non-renewable resources for immediate economic benefit.

ECONOMIC GOODS AND SERVICES

6. What is the primary purpose of economic goods?

A To fulfil consumer needs.
B To provide jobs.
C To generate waste.
D To regulate markets.

7. Which one of the following best differentiates a private good/product from a public good/product?

A A private good/product can be consumed by many people at the same time without reducing the availability to others.
B A private good/product is funded through taxes.
C A private good/product is excludable and competitive in consumption.
D A private good/product can only be provided by the government.

8. Exclusis is an imaginary country producing only gourmet food and high-fashion clothing. What could be a potential impact of this production structure on economic goods?

A It encourages economic equality.
B It guarantees that the basic needs of the population are met.
C It might lead to a misallocation of resources.
D It leads to a decline in the country's GDP.

9. What would be the overall impact on the GDP if both consumer spending (C) and investment (I) decrease, but government spending (G) increases?

A GDP will decrease.
B GDP will increase.
C GDP will remain constant.
D It is impossible to say, as the impact on GDP will depend on the size of the changes.

10. A country's exports increase by R300 million, while its imports increase by R150 million. How does this affect the GDP?

A It increases GDP by R150 million.
B It decreases GDP by R150 million.
C It increases GDP by R450 million.
D There is no change in GDP.

ECONOMIC SYSTEMS AND THE SOUTH AFRICAN ECONOMIC STRUCTURE

11. What is a key characteristic of a market economy?

A All essential and non-essential industries are state-owned.
B Central planning is done by the government.
C The state sets price controls.
D Prices are determined by supply and demand.

12. The government of Pretium, an imaginary country, sets targets for production and controls selling prices. Which economic system are they most likely implementing?

A Market economy.
B Mixed economy.
C Command economy.
D Traditional economy.

13. The economy of Mandatum, an imaginary country, is busy transitioning from a traditional economy to a mixed economy. Which one of the following steps would you suggest being included in this transition?

A Privatisation of all public services e.g. public schools, hospitals, water supply, police, and other emergency services.
B Gradually introduce market mechanisms while preserving some governmental controls.
C A significant reduction in the level of government intervention in the economic sector.
D Concentrate exclusively on the development and enhancement of traditional industries.

14. Advocates of the free market system often argue that command economies can hinder invention and productivity. Which one of the following could be seen as an advantage of a command economy?

A High levels of competition between businesses.
B Quick adaptation to changes in the markets.
C Ability to quickly allocate resources for major projects.
D Improved opportunities for individual entrepreneurship.

15. What is the potential drawback of allowing a purely market-driven approach to healthcare in South Africa?

A It may ensure that everyone has equal access to healthcare.
B It may lead to high-quality care only for those who can afford it.
C It may eliminate private healthcare providers.
D It may guarantee the lowest possible prices for all services.

THE RELATIONSHIP BETWEEN MARKETS

16. A consumer notices that the nominal price of a basket of groceries has increased over the past year. Which one of the following should they consider to understand the real change in prices of the basket of groceries?

A The brand name of the groceries purchased.
B The type of groceries purchased.
C The rate of inflation over the period.
D The change in their income.

17. Analyse the potential market effects on cell phone B if cell phone brand A lowers its prices, considering that brand A is a close substitute.

A Brand B will likely see an increase in sales.
B Brand B may need to lower its prices to maintain market share.
C It will have no impact on the market.
D The price of accessories for brand B phones will increase.

18. What are economic complementary products?

A Products that decrease in demand when the price of another product increases.
B Products that increase in demand when the price of another product increases.
C Products that can replace each other in usage.
D Products that are used together, where an increase in the demand for one increases the demand for the other.

19. TeaTime sells very expensive tea brewing machines for home users. They are considering selling these machines using the concept of complements. How can they best leverage the sale of their complementary products, i.e. premium imported tea leaves?

A Offer bundled products at a discount, i.e. a brewing machine and tea leaves sold as one bundle.
B Increase the price of brewing machines and decrease the price of tea leaves.
C Discontinue complementary products to focus on brewing machines.
D Increase the price of both brewing machines and complementary goods.

THE EFFECTS OF COST AND REVENUE

20. What is a sunken cost?

A A cost that can be recovered by taking future actions.
B A cost that has already been incurred and cannot be recovered.
C A future cost that will be incurred regardless of decisions.
D A variable cost that changes with production levels.

21. A company plans to increase its production by 100% in the short term. What is the effect of this on the fixed costs of the company?

A It will increase.
B It will decrease.
C It will remain constant.
D It will double.

22. A business's accounting profit increases while the economic profit decreases. Which one of the following is a possible reason for the trend?

A Decreasing explicit costs.
B Increasing implicit costs.
C Increased sales volume.
D Reduced tax liability.

23. A company expands its production facilities, resulting in its average costs increasing. What might be causing this?

A Economies of scale.
B Improved technology.
C Diseconomies of scale.
D Decreased demand for products.

24. A company's marginal revenue from selling an additional unit is R250 and the marginal cost of producing that unit is R235. What should the company do to maximise profit?

A Increase the production of the product.
B Decrease the production of the product.
C Maintain current production levels of the product.
D Cease producing the product.

UTILITY AND PRICE ELASTICITY

25. What does the concept of diminishing marginal utility imply about the consumption of goods and services?

A Each additional unit of a good consumed provides less satisfaction than the previous one.
B Consumption of more goods always leads to increased satisfaction.
C The utility of a good increases proportionally with its consumption.
D The first unit of any good consumed provides the least utility.

26. Evaluate the correctness of the following statement: "An increase in the price of a product will always lead to a decline in its utility."

A Correct, because price increases make goods less accessible, reducing utility.
B Correct, because higher prices mean higher quality and therefore more utility.
C Incorrect, because utility is based on satisfaction derived, not only price.
D Incorrect, because utility does not change with price.

27. The price of product A is increased by 10% and the quantity sold is decreased by 12%. The price-elasticity of product A is _____

A perfectly inelastic.
B inelastic.
C unitarily elastic.
D elastic.

28. You are the sales manager at a retail store. You are asked to propose a pricing strategy for Product B that has a high elasticity to the board of directors. Which one of the following strategies would you propose?

A Increase prices significantly to maximise per-unit profit.
B Decrease prices slightly to attract more buyers and thus increase total revenue.
C Maintain current prices with a focus on improving product quality.
D Vary prices frequently to test market reactions.

ECONOMIC GROWTH AND DEVELOPMENT

29. What is the most likely scenario between economic growth and income inequality in a developing country?

A There is no relationship between economic growth and income inequality.
B Economic growth always reduces income inequality.
C Economic growth reduces income inequality only in developed countries.
D Economic growth may increase income inequality if not all sectors benefit equally.

30. Crescere is an imaginary country that has high GDP growth but low advances in health and education. What does this indicate about the nature of its economic development?

A It signifies strong economic development.
B Economic growth is not translating into broader economic development.
C Priority is given to economic development rather than economic growth.
D This is common among all rapidly expanding economies.

WALTER SISULU UNIVERSITY

Study with us.

CHOOSE FROM OVER

170 PROGRAMMES

IN OUR **7 FACULTIES** SITUATED IN THE EASTERN CAPE

Applications open from 1 April 2024

Kindly note that applications close on 31 October 2024 for SA applicants, and closes on 30 September 2024 for international applicants.

visit **www.wsu.ac.za** to

Apply >>>

You may also scan QR Code

@WalterSisuluUni

www.wsu.ac.za

WSU
Walter Sisulu University
In pursuit of excellence

ECONOMICS
GRADE 11
ROUND 1 & 2

2023

PAST PAPER

THE FACTORS OF PRODUCTION

1. Which of the following is not a factor of production?

A Land
B Labour
C Capital
D Profit

2. Which of the following best describes the concept of capital as a factor of production?

A Natural resources such as oil, gas, and timber.
B The work people do to produce goods and services.
C The tools, machinery, and equipment used to produce goods and services.
D The money used to pay workers and buy materials for production.

3. A company employs a new production manager. Which factor of production has increased?

A Labour
B Salaries
C Entrepreneurship
D Capital

4. If a business owner wants to increase the output of their factory in the short term, which factor of production should they focus on?

A Land
B Labour
C Capital
D Entrepreneurship

5. What impact does an increase in the cost of labour have on a company's production costs?

A It will increase the price of the final product.
B It will decrease the price of the final product.
C It will have no effect on the price of the final product.
D It depends on whether there are alternative factors of production that can be substituted for labour.

6. Which of the following would be an example of capital as a factor of production?

A A farmer using his own labour to plant and harvest crops.
B A construction company using bulldozers to clear land for a new building.
C A software developer using his or her knowledge and skills to create a new program.
D An author using a computer to write a book manuscript.

7. Which of the following best describes the role of entrepreneurship in the production process?

A Entrepreneurship involves the physical labour required to produce goods and services.
B Entrepreneurship refers to the physical resources used in the production process.
C Entrepreneurship involves the ability to take risks and make decisions to bring together the other factors of production.
D Entrepreneurship refers to the financial resources used to fund the production process.

8. What are some examples of intangible factors of production?

A Land, labour, and capital.
B Technology, knowledge, and skills.
C Raw materials, machinery, and equipment.
D Money, investments, and financial resources.

9. Which of the following is an example of a non-renewable resource?

A Solar energy
B Wind energy
C Natural gas
D Water

THE USES OF ECONOMIC GOODS AND SERVICES

10. Which of the following is an example of non-durable goods?

A A refrigerator
B A pair of jeans
C A loaf of bread
D A smart TV

11. Which of the following best describes the term "consumption" in economics?

A The production of goods and services.
B The distribution of goods and services.
C The use of goods and services.
D The trade of goods and services.

12. Which of the following statements is true about real GDP?

A It is calculated using current market prices.
B It is adjusted for inflation.
C It includes only the value of final goods and services.
D It is always higher than nominal GDP.

13. If the nominal GDP of a country was R12 billion in 2021, and the nominal GDP of the country is R14 billion in 2022, the percentage change is ___.

A $\frac{12-14}{14} \times \frac{100}{1}$

B $\frac{12+14}{14} \times \frac{100}{1}$

C $\frac{14-12}{12} \times \frac{100}{1}$

D $\frac{14+12}{12} \times \frac{100}{1}$

14. Suppose that a country's real final consumption expenditure on healthcare increased by 10% from one year to the next. Which of the following is most likely to have contributed to this increase?

A An increase in the number of hospitals and clinics in the country.
B An increase in the price of healthcare services.
C An increase in the proportion of elderly people in the country's population.
D A decrease in the number of people covered by private health insurance.

15. Which of the following investments would be included in gross fixed capital formation?

A A company paying its employees' salaries.
B A business buying shares in another company.
C A manufacturer purchasing new machinery for its factory.
D Individuals paying off their credit card debt.

16. A country's gross capital formation is R500 million and its depreciation is R200 million. The GDP-deflator is 0.85. How much is its net capital formation?

A R500 million
B R300 million
C R425 million
D R225 million

17. Country A's consumption expenditure is R500 billion, investment expenditure is R100 billion, government spending is R200 billion, and net imports are R50 billion. What is the GDP?

A R600 billion
B R750 billion
C R800 billion
D R850 billion

18. Which of the following scenarios would likely have the greatest positive impact on GDP growth?

A A decrease in government spending.
B A decrease in investment expenditure.
C An increase in net exports.
D A decrease in consumption expenditure.

19. Product X is sold in a shop in South Africa and it is taxable as a standard VAT item. As it is an essential item, the government implements a R10 subsidy on the product. The basic price of a product (before the subsidy and VAT) is R50. Calculate the market price of the product.

A R50
B R57.50
C R47.50
D R46

20. Which one of the following that relates to GDP and GNP is correct?

A GNP includes all goods and services produced within a country's borders, while GDP only includes those produced by a country's citizens.
B GDP includes all goods and services produced within a country's borders, while GNP only includes those produced by a country's citizens.
C GDP and GNP are the same.
D GNP is used to measure economic growth, while GDP is used to measure economic activity.

ECONOMIC SYSTEMS

21. Which one of the following is not an economic system?

A Planned system.
B Centralised system.
C Decentralised system.
D Democracy.

22. Which one of the following is a characteristic of a command or planned economy?

A Private property rights.
B Competition is encouraged.
C Government control of resources.
D Profit motive.

23. What is the main advantage of a mixed economy?

A Government can regulate economic activities.
B Freedom of choice for consumers.
C Profit incentives for entrepreneurs.
D Resources can be allocated efficiently.

24. Suppose that the government of a country decides to increase taxes on cigarettes to discourage smoking. Which type of economic system is the country most likely to have?

A Traditional economy.
B Market economy.
C Command economy.
D Mixed economy.

25. Suppose that a country has a command economy. How could the country transition to a market economy?

A The government should take over all businesses.
B The government should gradually reduce its control over the economy.
C The government should give subsidies to all businesses.
D The government should increase taxes on all businesses.

26. Which economic system would you recommend for a country that is trying to balance economic growth with social equality?

A Traditional economy.
B Market economy.
C Command economy.
D Mixed economy.

THE ECONOMIC STRUCTURE OF SOUTH AFRICA

27. Which of the following statements best describes the economic structure of South Africa?

A South Africa is a low-income country with a primarily agrarian economy.
B South Africa has a diversified economy with a mix of agriculture, manufacturing, and services.
C South Africa is heavily dependent on oil exports for its economic growth.
D South Africa has a socialist economy with the government controlling all economic activities.

28. What is the role of the Reserve Bank in South Africa's economy?

A To set fiscal policy and control government spending.
B To regulate the banking industry and ensure financial stability.
C To promote foreign investment and international trade.
D To provide loans and grants to small businesses and entrepreneurs.

29. What are the major challenges facing South Africa's economy?

A High levels of income inequality, unemployment, and poverty.
B A lack of natural resources and infrastructure.
C Limited access to global markets and technology.
D A high rate of inflation and a weak currency.

30. How can a decrease in government spending affect South Africa's economy?

A It can lead to a decrease in the budget deficit and lower interest rates.
B It can lead to increased economic growth and job creation.
C It can lead to higher inflation and a weaker currency.
D It can lead to decreased consumer spending and slower economic growth.

FACTORS OF PRODUCTION

1. Which of the following is an example of entrepreneurship?

A Starting a new business.
B Managing an existing business.
C Operating a machine on a production line.
D Working as an accountant.

2. If the demand for labour increases while the supply of labour remains constant, the equilibrium wage rate will _____

A remain the same.
B decrease.
C increase.
D change but the change will be impossible to predict without more information.

3. In a perfectly competitive market, the price of capital is determined by _____

A the demand for capital.
B the supply of capital.
C government regulations.
D the interaction of supply and demand for capital.

4. The **PRIMARY DETERMINANT** of the price of labour in a market is the _____

A demand for labour.
B supply of labour.
C minimum wage rate.
D prevailing wage rate in a particular industry.

5. In a capitalist economy, how does the remuneration of factors of production affect the level of income inequality?

A It increases income inequality as the owners of capital receive a larger share of the income.
B It decreases income inequality as competition among businesses drives wages up for workers.
C It has no effect on income inequality.
D It depends on government policies and regulations.

ECONOMIC GOODS AND SERVICES

6. An example of a non-durable good is a _____

A car.
B house.
C shirt.
D smartphone.

7. Fixed capital formation can best be described as the process of _____

A converting goods and services into fixed assets.
B investing in long-term productive assets.
C purchasing inventory for resale.
D hiring and training new employees.

8. The "M" in the formula C + I + G + X - M represents _____

A marginal cost.
B marginal revenue.
C imports.
D exports.

9. If a country has a trade deficit, the value of M in the formula C + I + G + X - M will be _____

A greater than X.
B equal to X.
C less than X.
D unrelated to X.

10. If a country has a large trade deficit, a potential drawback might be that the country may _____

A become too reliant on exports.
B experience inflation due to increased demand.
C experience a decrease in economic growth.
D experience a decrease in the unemployment rate.

ECONOMIC SYSTEMS AND THE SOUTH AFRICAN ECONOMIC STRUCTURE

11. The main advantage of a market economy is _____

A the efficient allocation of resources.
B the equal distribution of income.
C government control of prices.
D guaranteed employment for all citizens.

12. In a mixed economy, the government plays a role in regulating the economy through policies such as _____

A the nationalisation of all capital-intensive businesses.
B setting prices for goods and services.
C fair competition and the prevention of monopolies.
D prohibiting all imports and exports.

13. A mixed economy combines elements of both capitalism and socialism by _____

A allowing for private ownership but also regulating business practices.
B nationalising all industries but allowing for some private property.
C having a completely free market with no government intervention.
D allowing for social welfare programs but not regulating business practices.

14. Which of the following is a challenge facing the South African government in terms of reducing poverty and inequality?

A High levels of foreign investment.
B Strong infrastructure and transportation systems.
C Unequal distribution of land ownership.
D Strong social safety nets.

15. Which of the following is a definite benefit of South Africa's trade relationships with other countries?

A Implementation of protection measures.
B Diversification of the domestic economy.
C Decreased reliance on exports.
D Increased unemployment rates.

THE RELATIONSHIP BETWEEN MARKETS

16. What will happen to the demand for tea if the price of coffee increases, assuming tea is a substitute good?

A The demand for tea will increase.
B The demand for tea will decrease.
C The demand for tea will remain the same.
D It is impossible to determine without additional information.

17. Which of the following is NOT a characteristic of substitute goods?

A They have a positive cross-price elasticity of demand.
B They are unrelated in consumption.
C They can be used in place of each other.
D They are substitutes for each other.

18. Which of the following statements represents a prediction about the market for smartphones and smartphone cases, assuming that the two goods are complements?

A If the price of smartphones increases, the demand for smartphone cases will increase.
B If the price of smartphones increases, the demand for smartphone cases will decrease.
C If the price of smartphone cases increases, the demand for smartphones will increase.
D If the price of smartphone cases increases, the demand for smartphones will decrease.

19. What are the characteristics of an imperfect market?

A Many buyers and sellers.
B Homogeneous products.
C Perfect information.
D Barriers to entry.

THE EFFECTS OF COSTS AND REVENUES

20. Which of the following is an example of a fixed cost for a firm?

A The wages that are paid to hourly workers.
B The cost of raw materials.
C Property taxes on a factory.
D The cost of utilities like electricity and water.

21. Which of the following is not a typical cost in economics and would be calculated using subjective assessment or comparative analysis, rather than in monetary terms?

A Fixed cost.
B Variable cost.
C Opportunity cost.
D Total cost.

22. Suppose a firm is producing at the level where marginal revenue equals marginal cost. What can be said about the firm's profit?

A The firm is making a positive economic profit.
B The firm is making zero economic profit.
C The firm is making a negative economic profit.
D It is impossible to determine the firm's economic profit without additional information.

23. The difference between explicit costs and implicit costs is that _____

A explicit costs are costs that are easily accounted for, while implicit costs are more difficult to quantify.
B explicit costs are tangible costs, while implicit costs are intangible costs.
C explicit costs are costs that are actually paid, while implicit costs are the opportunity costs of using resources.
D explicit costs are direct costs, while implicit costs are indirect costs.

24. The difference between marginal revenue and average revenue is that _____

A marginal revenue is the revenue generated by each additional unit sold, while average revenue is the total revenue divided by the number of units sold.
B marginal revenue is the total revenue divided by the number of units sold, while average revenue is the revenue generated by each additional unit sold.
C marginal revenue is the revenue generated by selling the first unit, while average revenue is the revenue generated by selling all units.
D marginal revenue is the revenue generated by selling all units, while average revenue is the revenue generated by selling the first unit.

PRICE ELASTICITY

25. How does a change in the price of a factor of production affect the firm's production decision?

A A decrease in the price of a factor of production will increase the firm's production.
B An increase in the price of a factor of production will decrease the firm's production.
C A decrease in the price of a factor of production will decrease the firm's production.
D The relationship between the price of a factor and the firm's production decision depends on the elasticity of demand for the firm's output/product.

26. How does the elasticity of demand for a good affect the price that producers can charge for it?

A If demand is elastic, producers can charge a higher price.
B If demand is elastic, producers must charge a lower price.
C If demand is inelastic, producers can charge a higher price.
D If demand is inelastic, producers must charge a lower price.

27. A producer of smartphones is currently selling 1 000 units per month at R500 per unit. After conducting a market survey, the producer found out that if they decrease the price to R400 per unit, the quantity demanded will increase to 1 500 units per month. What is the price elasticity of supply for the producer's smartphones?

A $\dfrac{\dfrac{1\,500 - 1\,000}{1\,000}}{\dfrac{500 - 400}{500}}$

B $\dfrac{\dfrac{1\,500 - 1\,000}{1\,500}}{\dfrac{500 - 400}{500}}$

C $\dfrac{\dfrac{1\,500 - 1\,000}{1\,000}}{\dfrac{500 - 400}{400}}$

D $\dfrac{\dfrac{1\,500 - 1\,000}{1\,400}}{\dfrac{500 - 400}{400}}$

28. A company sells two products, A and B. The cross elasticity of demand between A and B is -0,8. This implies that the two products are _____

A perfect substitutes.
B unrelated products.
C complementary products.
D substitute products, but not perfect substitutes.

ECONOMIC GROWTH

29. Suppose a country has a high level of wealth inequality. Which of the following policies could be used to address this issue?

A Increasing government spending on social programs.
B Implementing a flat tax rate.
C Encouraging entrepreneurship and small business creation.
D Privatising public services such as education and healthcare.

30. If the Gini coefficient of a country increases from 0,4 to 0,6, what can we conclude about income inequality in that country?

A Income inequality has decreased.
B Income inequality has remained the same.
C Income inequality has increased.
D We cannot determine whether income inequality has changed from this information alone.

ECONOMICS
GRADE 11
ROUND 1 & 2

2022

PAST PAPER

THE FACTORS OF PRODUCTION

Abel started a business. He employs 6 workers who clean the gardens of people in his community. Answer questions 1 and 2 related to this.

1. Abel bought two lawn mowers to use in his business. Which factor of production would you classify the lawn mowers as?

A Land
B Labour
C Capital
D Entrepreneurship

2. What would the remuneration that Abel receives be called?

A Rent
B Wages
C Interest
D Profit

3. The following relates to resources used in the production of goods and services. Which one of these is not of paramount importance in economics?

A The way in which resources are used.
B The place where resources are used.
C The reason why resources are being used.
D Who will benefit from the resources used.

4. The demand for natural resources depends on the:

A price of the natural resource plus the wage of the labour used.
B output that can be produced with the natural resource.
C supply of the natural resource.
D equilibrium price paid for the natural resource.

5. Country Z is experiencing an increase in the demand for oranges. Which one of the following will not be a result of this?

A A decrease in the number of orange pickers employed.
B An increase in the value of the marginal product of orange pickers.
C An increase in the price of oranges.
D An increase in the wage of orange pickers.

6. An increase in the price of motor vehicles shifts the demand curve for factory workers in the automobile sector to the:

A left and decreases the wage.
B right and decreases the wage.
C right and increases the wage.
D left and increases the wage.

7. Economists make provision for the *consumption of capital goods* by means of:

A trade-offs.
B depreciation.
C capital deepening.
D capital widening.

8. Which factors of production are inherently owned by humans?

A Land and labour.
B Labour and capital.
C Capital and entrepreneurship.
D Labour and entrepreneurship.

9. The production process refers to steps involved in the transformation of factor inputs into:

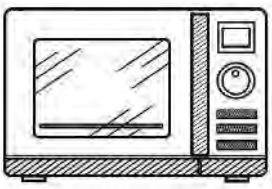
A goods and services.
B factor remuneration.
C factors of production.
D resources.

THE USES OF ECONOMIC GOODS AND SERVICES

10. Final consumption by households refers to spending by individuals on:

A final and intermediate goods and services for use.
B final goods and services for use as opposed to provision for the future.
C final goods and services for use as well as provision for the future.
D intermediate goods and services for use.

11. Which one of the following is an example of non-durable consumer goods?

			
A	B	C	D

12. Final consumption expenditure by households classified by type of activity is calculated as the total consumption on/by:

A the primary sector, plus the secondary sector, plus the tertiary sector.
B durable goods, plus semi-durable goods, plus non-durable goods plus services.
C the primary sector, plus the secondary sector, plus the tertiary sector minus the foreign sector.
D durable goods, plus semi-durable goods, plus non-durable goods less services.

13. Gross fixed capital formation includes all but one of the following:

A	B	C	D

14. Final consumption expenditure by households at NOMINAL prices indicates spending by households on final goods and services at:

A current volumes multiplied by base prices.
B constant volumes multiplied by base prices.
C current volumes multiplied by current prices.
D constant volumes multiplied by current prices.

15. The difference between gross capital formation and net capital formation is due to:

A depreciation.
B appreciation.
C revaluation.
D devaluation.

16. GDP is calculated as:

A C + I + G
B C + I + G + (X + M)
C C + I + G + (X - M)
D C + I + G + (M - X)

17. The government spends money on administering the COVID-19 vaccination free of charge to all citizens. This would be classified as:

A general public services.
B protection services.
C social services.
D economic services.

18. Which one of the following is incorrect?

A GDP > GDE then X > M
B GDP < GDE then X < M
C GDP = GDP then X = M
D GDP ≥ GDE then X ≤ M

19. Basic prices are converted to market prices by:

A adding taxes on products and subtracting subsidies on products.
B subtracting taxes on products and adding subsidies on products.
C adding taxes on products and adding subsidies on products.
D subtracting taxes on products and subtracting subsidies on products.

ECONOMIC SYSTEMS

20. In Country Y individuals may own businesses. Some businesses are owned by the state and most social services are delivered by the state. The economic system of Country Y can best be described as a:

A command economy.
B communist economy.
C mixed economy.
D market economy.

21. The so-called invisible hand determines prices in a _____ economy.

A command
B communist
C mixed
D market

22. The citizens of Country Y receive free medical services at public hospitals. They can, however, choose to go to private hospitals and pay for these services. The economic system of Country Y can best be described as a:

A command economy.
B communist economy.
C mixed economy.
D market economy.

23. Which one of the following would most likely have an effect on the price and quality of goods in a market economy?

A Government regulations and the volume of international trade.
B Competition as well as demand and supply.
C Production possibility and budget constraints.
D Tariffs and trade barriers.

24. Which questions are asked when studying the different economic systems?

A What to produce, why to produce, and when to produce.
B What is produced, how is it produced, and for whom is it produced.
C What is your opportunity cost, what economic resources are needed and why should these resources be used.
D What is your opportunity cost, why are economic resources needed and when should these resources be used.

25. There are 100 televisions for sale and 150 people want to buy these. This is a typical problem of the:

A market system where market forces will determine who can buy these televisions.
B command system where the government will indicate who will be permitted to buy these televisions.
C mixed system where a game of chance will decide who gets televisions.
D market system as televisions are scarce goods and the demand for it is greater than the supply.

26. The number of goods and services a household can buy in a free-market system depends upon the household's:

A income.
B income and prosperity.
C wealth.
D wage and interest income.

THE ECONOMIC STRUCTURE OF SOUTH AFRICA

27. The economic structure refers to:

A how the questions of what, how and for whom to produce are answered.
B the organisation of the economy in regards to the primary, secondary and tertiary sectors.
C the inclusion of the international sector relating to imports and exports.
D the number of goods and services produced by formal and informal businesses.

28. The tertiary sector includes:

A policing and mining.
B education and farming.
C fishing and construction.
D bankers and accountants.

29. I&J catches fish in the deep sea on trailers specially built for them. These trailers use a navigation system that is controlled from harbours across South Africa. The economic sectors described in this scenario, in order, are:

A primary, secondary and tertiary.
B primary, tertiary and secondary.
C secondary, tertiary and tertiary.
D secondary, primary and tertiary.

30. The following information was taken from www.StatsSA.co.za. Answer question 30.

Q/Q growth in Q1: 2019 (seasonally adjusted and annualised).

What does the heading *Q/Q growth in Q1: 2019* mean?

A Q1 of 2019 is compared with Q1 of 2018.
B Q1 of 2018 is subtracted from Q1 of 2019.
C The figures of Q1 of 2018 is adjusted to the figures of Q1 of 2019.
D The figures of Q1 of 2019 is adjusted to the figures of Q1 of 2018.

FACTORS OF PRODUCTION

1. Labour is a factor of production because:

A it can improve the value it has in the economy.
B the more productive it is, the higher the productive efficiency is.
C it is a resource that can contribute to output.
D its cost can be reduced if necessary.

2. In a simple economy _____ are the owners of the factors of production and _____ will determine what amounts of these factors of production are hired.

A households; government
B households; firms
C firms; government
D government; households

3. Donna works as the general manager at a firm, overseeing all operations. Her remuneration is known as:

A rent.
B wages.
C interest.
D profit.

4. Mabel works as a seamstress in a factory. Her real wage will rise if her nominal wage:

A increases at the same rate as her labour productivity.
B increases more rapidly than the general price level.
C decreases more rapidly than her labour productivity.
D decreases at the same rate as the general price level.

5. Collin's nominal wage increases from R4 000 to R4 500 per month. The consumer price index is 10%. Collin's real wage:

A increases.
B decreases.
C stays the same.
D is affected in the same manner as the nominal wages.

ECONOMIC GOODS AND SERVICES

6. The nominal GDP for 2020 was R803 with a price index of 110. Calculate the real GDP for 2020 and round your answer.

A R800
B R880
C R720
D R730

7. Why would economists differentiate between real GDP and nominal GDP?

A Real GDP allows a comparison based on volumes produced, rather than on changes due to price increases.
B Nominal GDP uses current prices and base year volumes so that the effect of price changes can be emphasised.
C Real GDP is rounded to R billions in order to simplify calculations and make deductions easier.
D There are no differences in the calculation of real and nominal GDP. Real GDP is only expressed in $ to make international comparisons easier.

8. The real GDP of Country A is R1.8 trillion and the real GDP of Country B is R600 billion. To determine which country has the highest standard of living, economists have to calculate the _____ for each country.

A nominal GDP
B nominal GDP per capita
C real GDP
D real GDP per capita

9. Which one of the following is false?

A If GDP > GDE then X > M
B If GDP < GDE then X < M
C If GDP = GDE then X = M
D If GDP ≈ GDE then X ≈ M

ECONOMIC SYSTEMS

10. Which of the following is studied under economic systems?

A The increase in the general price level in an economy.
B The aggregate output of goods and services.
C The degree to which the government intervenes in the economy.
D The fluctuations of output which lead to recessions and depressions in economic activity.

11. The degree of control over the price of its product by a firm in a/an _____ economic structure is very large.

A monopolistic
B imperfect
C perfect
D oligopoly

12. A firm has absolutely no control over the price of its product. The firm operates in a/an:

A monopoly.
B monopolistic competition.
C oligopolistic competition.
D perfect competition.

13. Firm A functions as a discriminating monopoly. This implies that Firm A charges different prices for its product:

A for different groups of consumers.
B for different uses.
C at different places.
D all of the above.

14. The most important difference between perfect competition and monopolistic competition is the fact that:

A there are more firms in a perfect market.
B products are differentiated in a monopolistic competition market.
C the profit margin for monopolistic competition is higher.
D there are free exit and entry under monopolistic competition.

SOUTH AFRICAN ECONOMIC STRUCTURE

15. Eskom generates electricity for consumption by a catering business, using coal that is mined near Witbank. The sequence of the economic structure given in this scenario is:

A Primary sector, Secondary sector, Tertiary sector.
B Secondary sector, Tertiary sector, Primary sector.
C Tertiary sector, Primary sector, Secondary sector.
D Tertiary sector, Secondary sector, Secondary sector.

THE RELATIONSHIP BETWEEN MARKETS

16. If the price of Product Q increases, the demand for:

A Product P, a complimentary good, will increase.
B Product Q will increase.
C Product R, a substitute good, will increase.
D Product Q will decrease.

17. Product S is a normal good. The price of Product S declines. Which of the following combinations indicate the substitution and income effect respectively?

	Substitution effect	**Income effect**
A	Positive	Positive
B	Negative	Negative
C	Positive	Negative
D	Negative	Positive

EFFECT OF COSTS AND REVENUE

18. When marginal revenue is zero, the total revenue will:

A increase.
B be maximised.
C decrease.
D be minimised.

19. The short-run cost curve that declines continuously, is the:

A average total cost curve.
B marginal cost curve.
C average fixed cost curve.
D average variable cost curve.

20. The short-run average variable cost is calculated as:

Key: TC -Total cost
TFC – Total fixed cost
TVC – Total variable cost
Q - Quantity
AFC – Average fixed cost
AVC – Average variable cost

A TC – TFC / Q
B TC – TVC / Q
C (TC / Q) – (AFC x Q)
D (AFC + AVC)Q

21. Product T, an input, is owned and used by a firm in the production process of Product H. The _____ cost of Product T is zero.

A Explicit
B Implicit
C Opportunity
D Economic

22. In which order, from the smallest to the largest, will the marginal and cost curves reach minimum output levels?

Key: MC - Marginal cost
AC – Average cost
AFC – Average fixed cost
AVC – Average variable cost

A AVC AC MC
B AC MC AVC
C MC AVC AC
D MC AVC AFC

PRICE ELASTICITY

23. The elasticity of demand for durable goods is:

A <1
B >1
C =1
D =0

24. Product X is seen as an inferior good. After an increase in the income, the demand for Product X will:

A stay the same.
B decrease.
C increase.
D be unknown if we do not know what Product X is.

25. A household has an income of R10 000 per month and spends R1 000 per month on luxury food items. After an increase, their income is R20 000 and they now spend R2 000 per month on luxury items. Their income elasticity for demand is:

A <1
B >1
C =1
D =0

26. The price elasticity of demand measures:

A changes in the price of a commodity due to the change in demand for that commodity.
B the rate at which sales change when the supply of a commodity changes.
C the responsiveness of the demand for a commodity to changes in the price of that commodity.
D the value of sales at a given price and at any given time while prices stay constant.

27. The price of Product Z increases. The quantity demanded for Product Z stays the same. The demand curve for Product Z is:

A positive.
B negative.
C horizontal.
D vertical.

ECONOMIC GROWTH

28. Which one of the following is crucial to economic growth, but not necessarily to economic development?

A An increase in the number of economic choices available to individuals in a specific country.
B An increase in the productive potential of a specific country.
C The eradication of absolute poverty in a specific country.
D The complete satisfaction of basic needs amongst the total population of a specific country.

29. To obtain substantial economic growth in South Africa, the government should focus on the following combination of macro-economic policies:

A Low unemployment and a surplus in the balance of trade.
B A low inflation rate and low levels of unemployment.
C A high increase in the productive capacity and low levels of unemployment.
D A high increase in the productive capacity and a low inflation rate.

30. The nominal GDP growth rate for Country Y was 6% in 2021. The population growth rate was 2% and the inflation rate for the same period was 6%. What was the rate of growth of the real GDP for Country Y in 2021?

A 0%
B 2%
C 4%
D 6%

ECONOMICS
GRADE 11
ROUND 1 & 2

2022 2023 2024

MEMO

PROVERTO
Educational Publishers • Opvoedkundige Uitgewers

olympiads@proverto.co.za

2022

www.proverto.co.za

NATIONAL HIGH SCHOOL OLYMPIAD NASIONALE HOëRSKOOL OLIMPIADE

ROUND ONE RONDE EEN GR 11

ECONOMICS / EKONOMIE

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

/30

ROUND TWO RONDE TWEE GR 11

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

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

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

PROVERTO

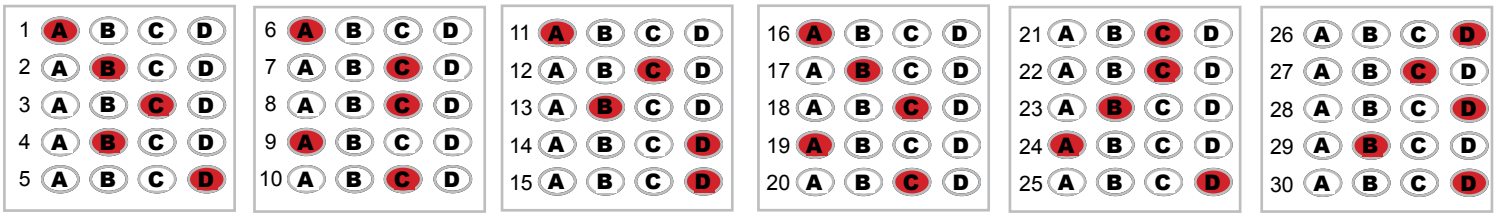
NATIONAL HIGH SCHOOL OLYMPIAD NASIONALE HOËRSKOOL OLIMPIADE

2023

GRADE 11 GRAAD

ROUND ONE MEMORANDUM RONDE EEN

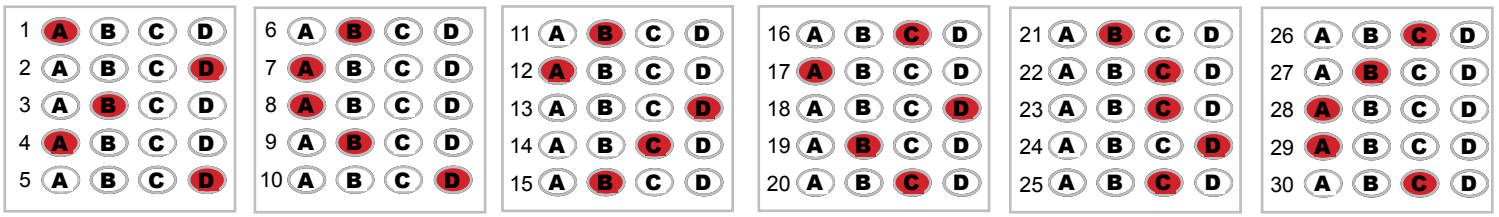
ACCOUNTING / REKENINGKUNDE



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

/30

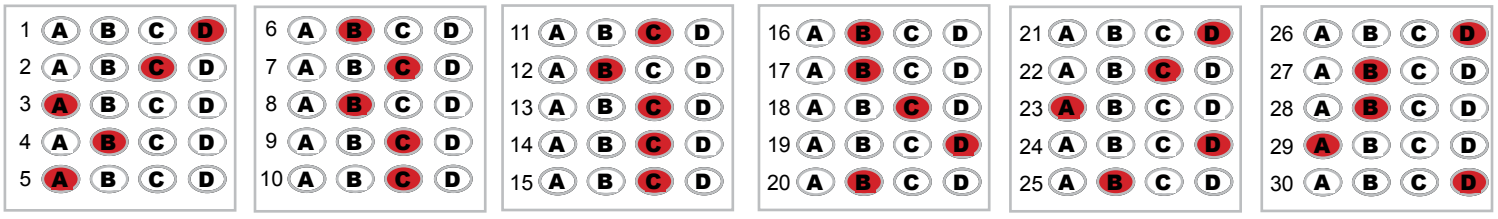
BUSINESS STUDIES / BESIGHEIDSTUDIES



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

/30

ECONOMICS / EKONOMIE



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

/30

PROVERTO

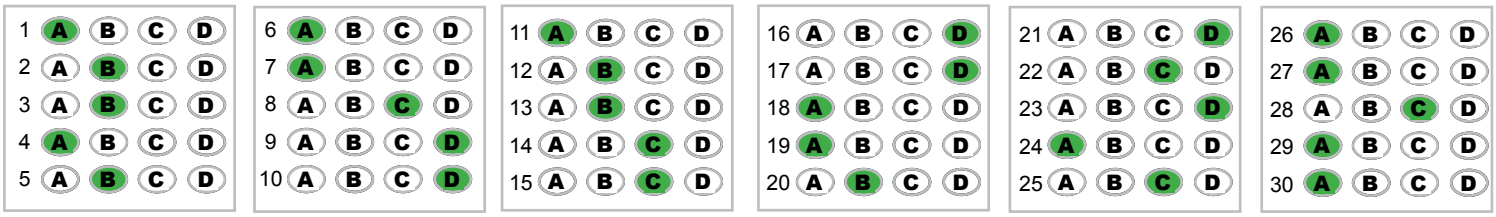
NATIONAL HIGH SCHOOL OLYMPIAD NASIONALE HOËRSKOOL OLIMPIADE

2023

GRADE 11 GRAAD

ROUND TWO MEMORANDUM RONDE TWEE
Final Round ***Finale Ronde***

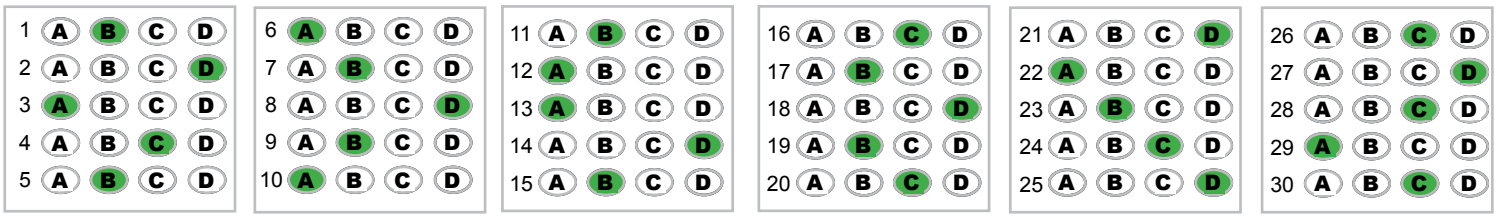
ACCOUNTING / REKENINGKUNDE



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

/30

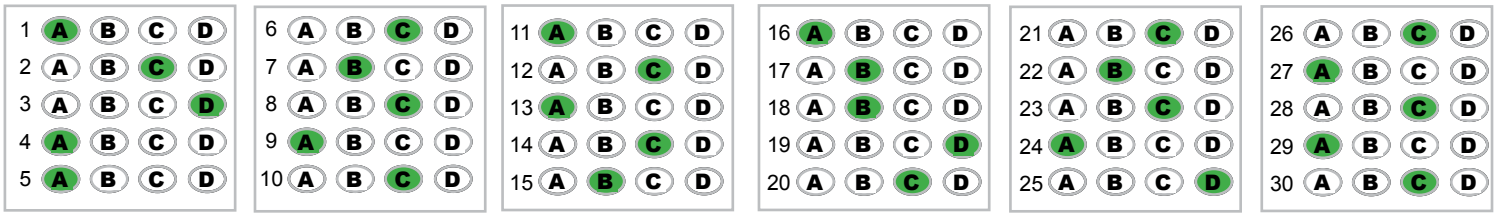
BUSINESS STUDIES / BESIGHEIDSTUDIES



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

/30

ECONOMICS / EKONOMIE



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

/30

PROVERTO

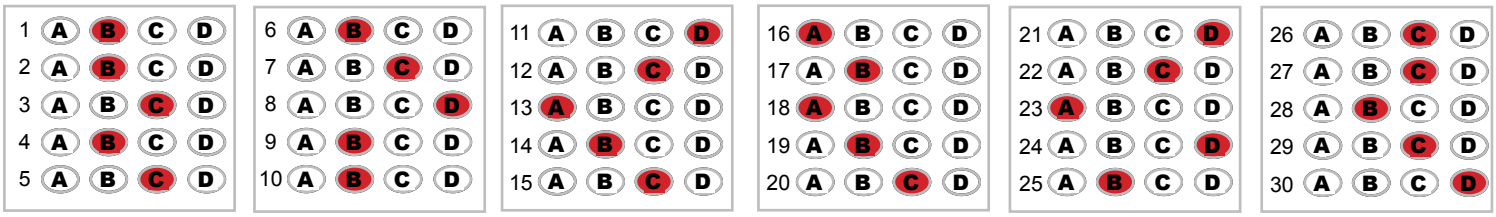
NATIONAL HIGH SCHOOL OLYMPIAD NASIONALE HOËRSKOOL OLIMPIADE

2024

GRADE 11 GRAAD

ROUND ONE MEMORANDUM RONDE EEN

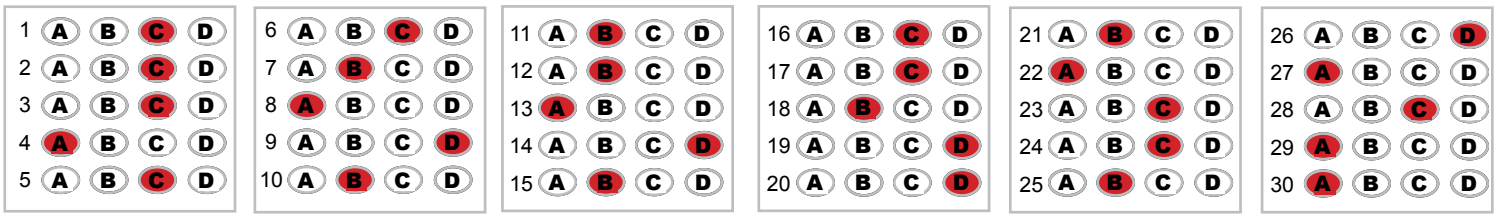
ACCOUNTING / REKENINGKUNDE



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

/30

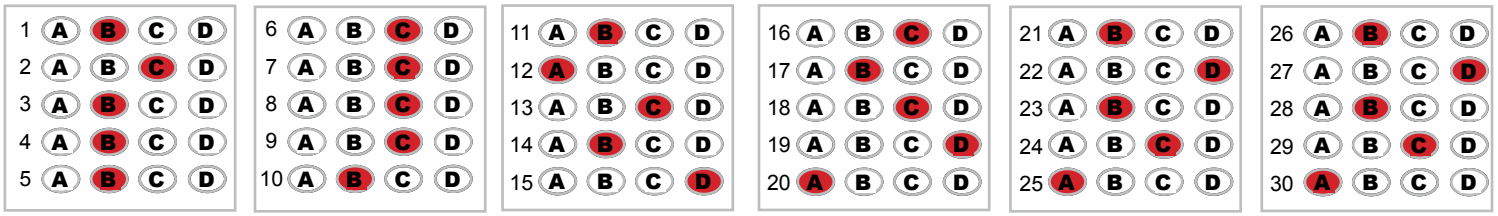
BUSINESS STUDIES / BESIGHEIDSTUDIES



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

/30

ECONOMICS / EKONOMIE



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

/30

PROVERTO

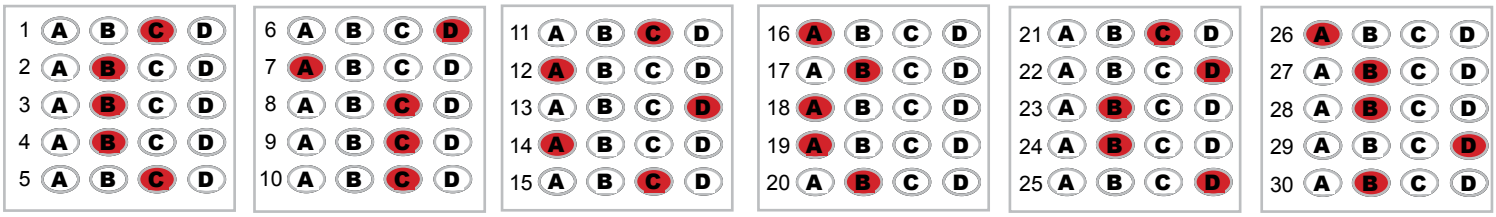
NATIONAL HIGH SCHOOL OLYMPIAD NASIONALE HOËRSKOOL OLIMPIADE

2024

GRADE 11 GRAAD

ROUND TWO MEMORANDUM RONDE TWEE

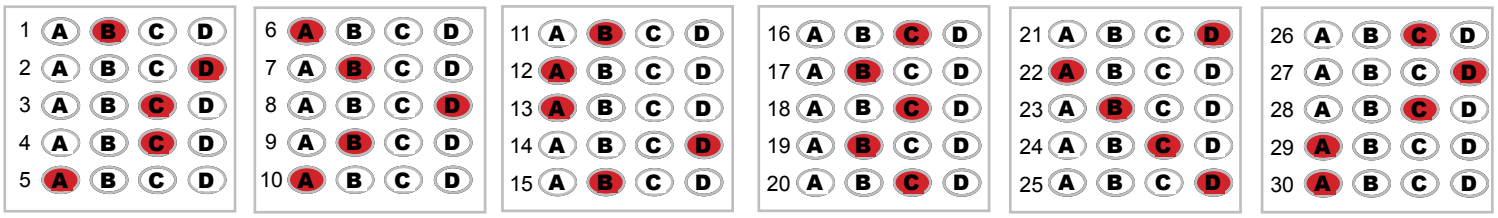
ACCOUNTING / REKENINGKUNDE



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

/30

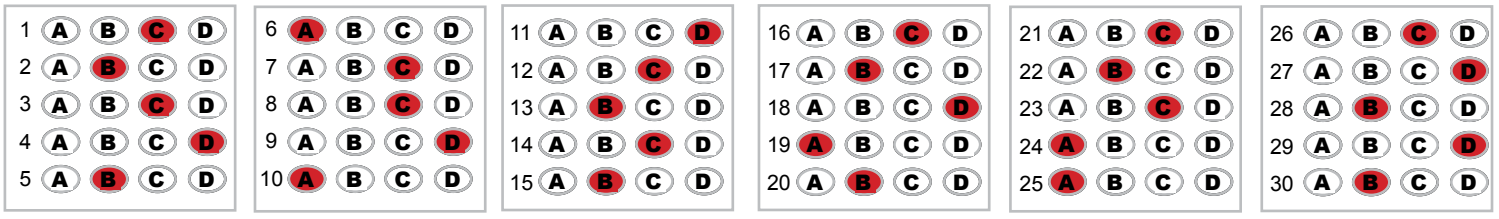
BUSINESS STUDIES / BESIGHEIDSTUDIES



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

/30

ECONOMICS / EKONOMIE



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

/30

JOIN THE NEDBANK BURSARY PROGRAMME.

THE DIFFERENCE STARTS WITH OUR YOUTH.

#YOUNGDIFFERENCEMAKER

The Nedbank External Bursary Programme is open to full-time Undergraduate and Honours students who are studying towards qualifications in the financial sector with a strong focus on STEM (Science, Technology, Engineering and Mathematics) and Green Economy skills.

If you do not have the financial means to study full-time towards your degree or diploma at a South African public university or university of technology, and you meet the below criteria, it is time to become a **#YoungDifferenceMaker!**

CRITERIA FOR SELECTION:

To be eligible for the Nedbank bursary, you must:

- be a South African citizen; and
- have a proven financial need, as determined by your household income.

Must have:

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

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

The screening process:

- We will only consider bursary applications submitted online via the link we have provided.
- Incomplete bursary applications will be rejected.
- Bursary applications will be screened and shortlisted according to the qualifying criteria.

If you are shortlisted, we will ask you to:

- submit the relevant documents for financial review;
- participate in psychometric and other assessments; and
- attend an interview.

YOUR FUTURE STARTS NOW!

All candidates will receive feedback on the status of their application at the completion of the recruitment and selection process.

Contact information:
Email: Unlockyourambition@nedbank.co.za

Closing date for applications is 31 August 2024.

Bursaries are granted at Nedbank's sole discretion.
For the complete application process and a list of required documents, please visit our website at **www.nedbank.co.za/bursary**

Nedbank Ltd 1951/000009/06 - licensed FSP & registered CP (NCRCP16).

NEDBANK