STUDY Mate

GRADE 12

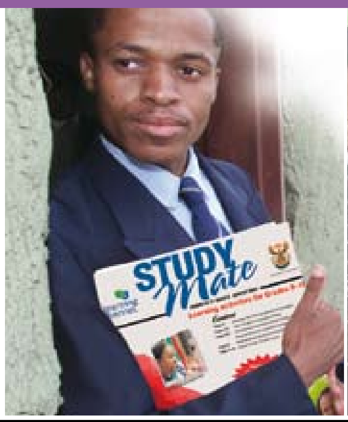
Mathematics · Mathematical Literacy · English FAL · Afrikaans FAL · Physical Science · Life Sciences · Accounting · Business Studies · History · Geography

ISSUE 20 2008

43 DAYS before final exams!

learning channel

defining your destiny.



Dear Learners

You have 43 days left before the final examinations begin. You should now be revising all your subjects. Make sure you have both editions of the 48-page Study Mate. If you have not received them please ask your teacher today. Work through all the exemplar question papers in Study Mate. Revise your work and speak to your teacher if you don't understand any of the work. In this edition of Study Mate you will find an English (FAL) question paper. Try to complete all the questions in the paper as it will assist you to practise your English. Remember practising your english will not only prepare you for this paper but will also assist you with all your other subjects. Once again good luck and keep working hard. I am thinking of you as you prepare for this important examination.

My warmest best wishes,

Mrs Naledi Pandor, MP

Minister Pandor, MP

Minister of Education

English FAL Sample paper 3

INSTRUCTIONS AND INFORMATION

1. This question paper consists of THREE sections, namely SECTION A, SECTION B and SECTION C.

SECTION A: Creative writing	(50 marks)
SECTION B: Longer transactional texts	(30 marks)
SECTION C: Shorter transactional texts	(20 marks)

2. You are required to answer One question from EACH section,
3. Start EACH section on a NEW page.
4. Write neatly and legibly.
5. Pay attention to spelling, sentence construction and language.
6. Number the answers correctly according to the numbering system used in this question paper.
7. It should be evident from each of the final texts that you have *planned*, *proof-read* and *edited* your work.

SECTION A: CREATIVE WRITING
QUESTION 1

Write an essay of about 200 – 250 words (approximately 1 to 11/2 pages) on ONE of the following topics.

- Write down the number and the title of your essay correctly.
- It should be evident from each of the final texts that you have planned, proof-read and edited your work.

1.1 Write an essay that contains the following words: (50)

In my lifetime…

OR

1.2 I would be happy if… (50)

NOTE: These words can appear anywhere in the essay.

OR

1.3 The New South Africa is not so new any more. (50)

OR

1.4 Violence in schools under the spotlight. (50)

OR

1.5 Young people demand their rights, but need to recognize that these go hand in hand with responsibilities. (50)

OR

1.6 You strike a woman, you strike a rock! (50)

OR

1.7 Choose ONE of the following pictures and write an essay on a topic that it suggests to you. Write the question number and give your essay a suitable title. (50)

1.7.1

OR (50)

1.7.2

education

Department:
Education
REPUBLIC OF SOUTH AFRICA

OR

1.7.3

(50)

TOTAL SECTION A: 50

SECTION B: LONGER TRANSACTIONAL TEXTS

QUESTION 2

- Respond to ONE of the following transactional writing tasks.
- The body of your response should be 120 – 150 words (approximately 15 – 20 lines).
- Write down the number and the heading of the text you have chosen to write.
- Pay particular attention to the language, tone, style, register and target audience.
- It should be evident from the final text that you have planned, proof-read and edited your work.

2.1 MAGAZINE ARTICLE (30)

Write a magazine article to a local magazine expressing your views about the quality of education you believe is being delivered to the youth of South Africa.

OR

(30)

2.2 DIALOGUE

Think of someone whom you admire for what he/she has achieved in his/her lifetime. This person may be someone whom you know, someone famous, or someone who has died. Imagine that you can have a brief conversation with this person. Write out the conversation as you imagine that it would take place. Use the dialogue format.

OR

(30)

2.3 FRIENDLY LETTER

Your best friend has asked if he/she can come and live with your family for a year while he/she finishes school. There is no space in your house for this. Kindly refuse the request, and suggest alternatives.

TOTAL SECTION B: 30

SECTION C: SHORTER TRANSACTIONAL TEXTS

QUESTION 3

- Choose ONE of the following topics and write a short transactional text.
- The body of your response should be 80 – 120 words (approximately 8 – 12 lines).
- Write the number and the heading of the text you have chosen to write.
- It should be evident from the final text that you have planned, proof-read and edited your work.

3.1 DIARY ENTRIES (20)

You are preparing to write your matric exams soon. Write out the diary entries for any three consecutive days as you prepare for these exams.

OR

(20)

3.2 INSTRUCTIONS

You have been asked to give written instructions for a younger person to make a simple meal (a sandwich will do); or to begin working on a computer; or to find a particular radio station. Choose ONE of these topics, and then write down a list of 6 – 7 steps to be followed.

OR

(20)

3.3 FILLING IN A FORM

You are applying for a part-time job. Fill in the application form that follows.

APPLICATION FORM

MPUNGOSE'S CLOTHING STORE	
Surname:	Gender:
First name/s:	Date of birth:
Residential address:	Postal address:
Telephone number: Cell number:	
Last educational institution attended:	Final level attained:
Extra-curricular involvement during the last 3 years:	
Community involvement during the last 3 years:	
Days and times that you will be available:	
Any previous formal experience:	
Any previous informal experience: (babysitting and so on)	
Reasons for applying to this store:	
Signature:	Date:

TOTAL SECTION C: 20
GRAND TOTAL: 100

MEMORANDUM

SECTION A: CREATIVE WRITING

INSTRUCTIONS TO MARKERS:

- Candidates are required to write ONE essay.
- Marking must be objective. Give credit for relevant ideas even if they do not agree with your own.
- Use the 50-mark assessment rubric to mark the essays.

NOTE:

- The points given below each topic are intended as a guide to some of the ways candidates may interpret the topic. The list is not exhaustive. Candidates may interpret the topic in a completely different way.
- Candidates' responses must be marked on their own merits.

1.1 In my lifetime…

- Narrative/Descriptive/Reflective essay.
- Accept any interpretation of the topic.
- The words given should appear in the essay.
- The following ideas may be explored, among others:
  - What the candidate expects, or hopes for in the future.
  - What the candidate has experienced in his/her lifetime.
  - Description of wonderful/awful inventions, occurrences…

1.2 I would be happy if…

- Narrative/Descriptive/Reflective essay.
- Accept any interpretation of the topic.
- The words given should appear in the essay.
- The following ideas may be explored, among others:
  - What the candidate expects, or hopes for in the future.
  - A story that sets out some need for change.
  - Personal dreams and ambitions explored.

1.3 The New South Africa is not so new any more.

- Discursive/Argumentative/ Reflective essay.
- Accept any interpretation of the topic.
- Candidates are expected to express an opinion on the topic and to motivate their view.
- The following ideas may be explored, among others:
  - The candidate's response to the fact that the promises made to ensure a New South Africa have not materialised.
  - The candidate's response to the fact that the New South Africa has matured into South Africa under the new dispensation.
  - Personal refection on South Africa post-1994.

1.4 Violence in schools under the spotlight.

- Discursive/Argumentative/Reflective essay.
- Accept any interpretation of the topic.
- Candidates are expected to express an opinion on the topic and to motivate their view.
- The following ideas may be explored, among others:
  - School violence is on the increase, and what to do about it.
  - Exploration for reasons for this phenomenon.
  - Personal refection on experiences with school violence.

1.5 Young people demand their rights, but need to recognise that these go hand in hand with responsibilities.

- Discursive/Argumentative/Reflective essay.
- Accept any interpretation of the topic.
- Candidates are expected to express an opinion on the topic and to motivate their view.
- The following ideas may be explored, among others:
  - Young people have their right recognised officially, but some behave irresponsibly despite this.
  - Others also have rights, and irresponsible behaviour can infringe on the rights of those around us.
  - Personal refection on experiences around rights and responsibilities.

1.6 You strike a woman, you strike a rock!

- Discursive/Argumentative/Reflective essay.
- Accept any interpretation of the topic.
- Candidates are expected to express an opinion on the topic and to motivate their view.
- The following ideas may be explored, among others:
  - Women have a vital role to play in the home, and in the community.
  - Many women have to play the roles of women and men in their homes and their communities, and so have to learn to be strong.
  - Personal refection on the women in the life of the candidate.

1.7 Interpretation of pictures

- Candidates may interpret the pictures in any way.
- The interpretation should be linked to the pictures.
- The following ideas may be explored in response to the pictures:
  1.7.1 Friends, teenagers, ubuntu, new relationships…
  1.7.2 Informal settlements, education, freedom…
  1.7.3 Celebrations, success, excitement…

[50]

SECTION B: LONGER TRANSACTIONAL TEXTS

QUESTION 2

Instructions to markers:

- Candidates are required to answer ONE question.
- Use the 30-mark assessment rubric to mark the pieces in this section.

2.1 MAGAZINE ARTICLE
- The article must be in paragraph form.
- The tone and register of the article should be appropriate to the content and the medium (local magazine) in which it will be published.
- Examples of issues: poorly qualified teachers, stressed and poorly paid teachers, violence in schools, a culture of apathy, no resources…

2.2 DIALOGUE

- **Deduct up to two marks if:**
  - Colons are not used after the names of the characters;
  - There is no spacing between the names and the words of the characters.
- The tone used by the characters should be polite and respectful.
- The dialogue should have a clear beginning and end.

2.3 FRIENDLY LETTER

- The letter should be addressed to a friend.
- Consider the following aspects of format and deduct **one** mark for an error in any one of the following categories:
  - Sender's address
  - Date
  - Greeting
  - Suitable ending
  - Name

Note: the total deduction for format should not exceed two marks.

[30]

SECTION C: SHORTER TRANSACTIONAL TEXTS

QUESTION 3

Instructions to markers:

- Candidates are required to answer ONE question.
- Use the 20-mark assessment rubric to assess the responses of candidates.

3.1 DIARY ENTRIES

- Each entry should start with the day/date or both.
- Candidates are free to use any tone or style. This is a fairly informal document. Entries do not have to be in full sentences.
- Entries should focus on events that involve emotional responses.
- Reference to matric and exams must appear.

3.2 INSTRUCTIONS

- Instructions should be logically ordered.
- They should be brief and clear.

3.3 FILLING IN A FORM

- Assess the form holistically.
- Consider whether the candidate has understood the question and is able to fill the form in completely and correctly.

(20)
TOTAL MARKS: 100

STUDYMATE — 48 PAGER SEPTEMBER EDITION 2 — ECONOMICS MEMORANDUM. QUESTIONS 4,5,6,7,8 and 9

Section B (Answer three)
Question 4
4.1 An economic cycle involving only households, the business sector and government is known as a **closed economy**. √√
The foreign sector also acts as a participant in the economy. When it is included in economic activities, such as imports and export, we have an **open economy**. √√ **(4)**
4.2 National product (NP) is the value or market price of all finished goods and services by the permanent residents of that country for a specific period. √√

National income (NI) reveals how the remuneration made from the national product is divided among the people involved in the production process. √√

National expenditure (NE) is the way in which the nation spends its national income (remuneration) on the national product (goods and services) √√ **(6)**
4.3 Transfer payment √
This is income received that is not earned as remuneration for factors of production. It is the payment one person or group receives, and then pay over to another person or group, when nothing has been produced and no service offered. √√
Double-counting √
Occurs when evaluating the national income. The contribution of the factors of production towards a specific service must be counted only once. √√
The nominal value of the national income √
Nominal value is expressed in terms of money at a specific time, for example the net salary a person takes home. √
Real national income is the money value of national income adjusted for inflation. √
Services not included in the national income √
- Service rendered by a stay-at-home parent is not included.
- Production in the household, e.g. repairs √√
- Services provided by people

Services provided by working at voluntary organisations, e.g. hospices **(Any 4 x 3 = 12)**
4.4 GDP at a factor cost (or factor income) includes the remuneration of employee's net working surplus and provision for depreciation. √√
√√
- **GDP at buyers' price** (or market price) is calculated as gross value added at basic prices + taxes – subsidies. Indirect taxation, e.g. excise duty or VAT, is part of the market price of products. √√
√√

Subsidies, e.g. on bread, are usually paid by the government to keep the price lower than is actually profitable. Subsidies are paid to producers and are part of the factor cost, and must therefore be deducted from the market price. √√ **(12)**
4.5 Forecasting is a method used by economists to determine whether the economy is improving or worsening. It is used to predict future economic and market conditions to help government and business in decision-making. √√
Leading indicators
- Number of new cars sold √√
- Number of new companies registered √√
  Merchandise exports √√ **(8)**

4.6 Increasing supply and demand
Economic growth √√
There are two ways of increasing production capacity within a country: supply factors and demand factors.
Supply factors √√
The process whereby the ability of the economy to produce increases over time so that there is an increase in the level of national income. Therefore, economic growth is an increase in the real GDP per capita. √√
Increased Productivity is measured in terms of the ratio of inputs to outputs. This means that more goods and services are produced with available resources. Increased productivity is achieved through better production. Increases in factors of production contribute to the increased production. √√
Demand factors √√
Ways in which demand can be stimulated:
- The government can increase its spending
- The government can focus on inward industrialisation √√
- Growth in exports can be increased. This may lead to less strain on the balance of payment

(Any 2 x 4 =8)
[50]

Question 5
5.1.1 Monopoly and imperfect competition
Monopoly: producer has exclusive control of the market supply of a product or service. √
Oligopoly: a small group of producers that controls the market supply of a product or service.√
Government responses
- Do nothing. Trust that high profits will attract competitors to the market. √
- Impose price controls to prevent very high prices. √
- Tax the full excess profits of monopolists. √

Use competition policy to regulate monopoly. √ **(6)**
5.1.2 Externalities
Externalities refer to benefits, in the form of the costs or advantages of a transaction for those parties not directly involved in the actual transaction or activity. √√
√
Externality cost refers to negative externalities e.g. pollution. The costs incurred to rectify any damage to the environment are not carried by the company. √ √
External benefits refer to positive externalities**,** i.e. advantages earned by parties not directly involved in the transaction, e.g. the opening of new businesses may lead to increased infrastructure, such as roads, water and electricity. √ **(6)**
5.2

	Elected politician	**Appointed bureaucrats**
Characteristics	▪ Interested in gaining vote ▪ Popularity is ensured ▪ Tend to have short-term outlook favouring programmes. ▪ They support programmes where small groups will have large gains and large groups suffer small losses.	▪ Agents of politicians ▪ Administrative or technical experts with knowledge ▪ Formulate and implement spending plans. ▪ Tend to result in excess supply of goods and services.
	Any 2 x 2 = 4	**Any 2 x 2 =4**
Causes of Failure	▪ Politicians are slow to admit mistakes. ▪ Failure of projects often results in government allocating more money and people to a project.	▪ Lack of competition. ▪ Inability to see how well service is doing ▪ Difficult to dismiss bureaucrats ▪ Less cost conscious ▪ Government tries to solve problems by linking employment and remuneration.
	Any 1 x 2 =2	**Any 1 x 2 = 2**

(12)
5.3 √√
- **Economic growth** includes an increase in total production or an increase in the GP, which measure economic growth. The GDP must be calculated at constant prices to determine the real or adjusted for inflation increase in the GDP or production. √√
  √√
- **Full employment** refers to a 'satisfactory' level of employment in both the formal and the informal sector. There is work for people who wish to be employed. 100% employment is impossible. Full employment is achieved through the stimulation of production, which will increase job opportunities.√√
  √√
- **Price stability** occurs if inflation is controlled, thereby ensuring that the general price level does not increase or decrease too fast. With demand-pull inflation the demand for goods is greater than the supply because of an excess of money in circulation. √√
  √√
- **Balance of payment equilibrium** is a situation in which there is a favourable ratio between the various economic variables. An example of this would be imports, exports and capital flows. In the case of an imbalance of equilibrium, imports will exceed exports. √√
  √√
- **Equitable distribution** of income may be obtained through the redistribution of income and wealth. This can also be achieved by making high-income earners pay high tax. √√

(Any 2 x 4 = 8)
5.4
5.4.1 State raises funds for important projects without increasing the tax burden on the private sector. √√
- Helps to decrease the government responsibility for the economy and in this way provides the private sector with the opportunity to try and solve macroeconomic problems, e.g. unemployment. √√
- Use of recourses is optimised through the expertise and efficiency of private sector. √√

- State-owned businesses may incur losses that lead to budget deficits and other fiscal problems. √√

(8)

5.4.2

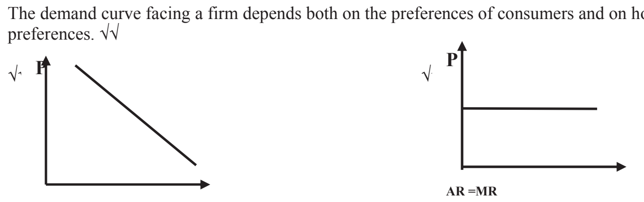
Advantages	Disadvantages
▪ State owned is often inefficient ▪ Attracts foreign investment ▪ Pays tax thereby increasing government revenue ▪ Access to investment capital and able to adapt to changing economic conditions ▪ Funds raised can be used for housing, education, etc. ▪ Increase private sector's share in the economy and acts as an instrument of BEE	▪ Private sectors often fail with regard to efficiency ▪ Private monopolies can replace state monopoly ▪ Not accountable to the public for external costs ▪ Unprofitable services are often discounted

(Any 2 x 4 = 8)

5.4.3 Telkom, Iscor (any relevant example) **(2)**
[50]

Question 6
6.1 Industry
An industrial demand curve is obtained by summing the individual demand curves of all the consumers in the market. That means that for every possible price, we sum up the quantities demanded by each consumer and plot that combination of price and quantity as a point on the industry demand curve. √√

The industry demand curve will necessarily be a lot flatter than any individual consumer's demand curve. √√
Individual business
The demand curve facing a firm depends both on the preferences of consumers and on how well other firms meet those preferences. √√



D1

Industry **Individual firm** **Demand**

- Demand for the industry - the curve slopes downwards from the left to the right. √√
- The demand for the product of the firm – the curve is horizontal or perfectly elastic at the existing market price. √√

Price
- The price determined in the market (industry) is the price that each firm will use to sell its product. Therefore, the industry price is the same as the firm's price. √√ **(16)**

6.2

Perfect market	Imperfect market
- The price of the product determined by market forces, such as demand and supply only √√ - Buyers and sellers react to the market signals, i.e. prices √√ - Individual buyers and sellers do not influence the market √√	- Imperfect markets do not follow the supply and demand rules of the market when they decide on the prices to charge and the quantities to produce √√ - Imperfect markets are price searchers, or price makers, rather than price takers √√ - Individuals and groups of suppliers influence the market √√

(12)

6.3 (a) Total Cost-Total Revenue Method
An alternate approach to profit maximization is to consider the total revenue curve (TR) and the total cost curve (TC). Start by recognising that profit is equal to total revenue (TR) minus total cost (TC). √√
Either compute equations or plot the data directly on a graph. Total profit will be maximized where there is the greatest vertical distance between the total revenue (TR) and total cost (TC) curves. √√

The vertical distance is greatest where the slope of the total cost (TC) curve is equal to the slope of the total revenue curve (TR). This is equivalent to the MR=MC rule because:
- Marginal revenue (MR) is the slope of the total revenue curve (TR)

Marginal cost (MC) is the slope of the total cost curve (TC) √√ **(6)**
(b) Marginal Cost-Marginal Revenue Method
For each unit sold, marginal profit equals marginal revenue minus marginal cost.
The first decision a purely competitive firm must make is "How much to produce". √√
- It cannot change the price
- It cannot change the quality of the product.

If a firm should produce at all, it should produce at a quantity where: MC=MR=P
The marginal revenue curve (MR) is a horizontal line at the market price (P). √√
- If the firm produces one more unit, it can sell that unit at the market price
- The production of one more unit adds an amount to total revenue equal to the market price.
- For a pure competitor, the demand curve and the MR curve are the same.

√√

The marginal cost curve (MC) is a U shaped curve that cuts the MR curve from below. Where the two curves intersect (MR=MC) determines the optimal level of output. (Q1).

Then, if marginal revenue is greater than marginal cost, marginal profit is positive, and if marginal revenue is less than marginal cost, marginal profit is negative.
When marginal revenue equals marginal cost, marginal profit is zero. Since total profit increases when marginal profit is positive and total profit decreases when marginal profit is negative, it must reach a maximum where marginal profit is zero - or where marginal cost equals marginal revenue. √√

This is because the producer has collected positive profit up until the intersection of MR and MC (where zero profit is collected and any further production will result in negative marginal profit, because MC will be larger than MR). √√
(Any 3 x 2 = 6)

6.4 (a) Telkom, Iscor, Eskom, Sasol (any relevant example) √√
(b) Three cellphone providers – MTN, Vodacom and Cell C (any relevant examples). √√
(c) JSE Security Exchange (any relevant example) √√ **(6)**

6.5 No, although she has a monopoly, she cannot set her prices too high because consumers will look for substitute products. √√
Although the products will not be identical, consumers will prefer to buy from a supplier that they think is not exploiting them. √√ **(4)**
[50]

Question 7
7.1 (a) 16 √√
(b) The development of cultural tourism by identifying areas in which government intervention could help cultural workers benefit from tourism. √√

Fostering sustainable industrial development, reduction of poverty and unemployment √√

Focuses on high-level of support areas where socio-economic conditions require concentrated government assistance and where inherent economic potential exists. √√ **(6)**

Maputo Development Corridor; Lubombo SDI; Richards Bay SDI, Wild Coast SDI; Fish River SDI; West Coast Investment Initiative; Platinum SDI; Phalaborwa SDI; and Coast 2 Coast Corridor. **(Any 2 x 1)**

7.2 (a)
- Factors of production:
  - Labour√√
  - Capital √√
  - Natural resources √√
  - Entrepreneurship √√

  Technological development √√ **(Any 3 x 2=6)**

(b) Labour
An increase in labour can be a result of an increase in the economically active population. The quality of the labour force is important and depends on school education, post-school education and in-service training.

The size of the labour force will be affected by HIV/Aids through illness, loss of skills, as well as through net migration. (Net migration + immigration – emigration).

Immigration brings in much unskilled labour from neighbouring countries, while emigration leads to the loss of many skilled workers to other countries.
OR
Capital
The quantity and quality of capital should facilitate or encourage economic growth. Capital is available in several forms:
- Real or physical, such as the supply of capital goods, e.g. factories.
- Financial, such as the funds needed to acquire capita goods, e.g. shares.
- Human, such as investment in human ability, e.g. education and skills.

The size of a country's capital resources helps to ensure that businesses expand, which leads to increased income for the country. In order to make capital resources grow, new capital must be added to existing capital to the form of investment. For investment to take place, outdated capital, such as machinery and equipment, must be replaced and savings must be increased.

Capital resources are financed from savings resources, which consist of the following four companies:
- Personal savings of households
- Company savings
- Provision for depreciation
- Government expenditure

Increases in capital are dependant on investments and are influenced by savings.
[Or any other factor of production] **(8)**

Question 8
8.1

Export promotion	Import substitution
▪ SA earns money to pay for country's imports √√ ▪ Exports ensure that agricultural and mining development remains competitive √√ ▪ Reduce poverty and improve standard of living √√	▪ Through policy of tariff protection, import substitution has led to SA's rapid and diversified industrial development √√ ▪ Positively affect employment √√ ▪ Temporarily affect the balance of payment √√

(Any 4 x 2 =8)

8.2 There is non-economic consideration. √√
1. Help achieve political goals. √√
2. Certain social policies are promoted through trade protection √√
3. Industrial development is increased. √√
4. Encourages stable wage level and high standard of living. √√
5. Unemployment is controlled and more employment is provided √√
6. Policies lead to economic self-sufficiency. √√
7. Prevents foreign industries from dumping. √√

Countries able to spend their money overseas. √√ **(Any 5 x 2 = 10)**

8.3 Problems are:
1. Understanding of the country's economic aims. √√
2. There should be a long-term plan to develop natural and human resources. √√
3. Economic policies should be advantageous to the country. √√
4. Protection requires skill to coordinate various policy measures.
5. Choosing industries that need protection. √√
6. Measuring the difference between initial higher prices and possible future advantages of a lower cost of production. √√
7. Deciding when tariffs should be reduced. √√
8. Deciding on the importance of the industry to the whole country. √√

(Any 5 x 2 = 10)

8.4 The government only allows a particular quantity or quota of a specific product or service to be imported for a specific period. √√ A base period is determined. Suppliers may only import what they require, and the remaining must be bought from local producers. √√
There are problems regarding the application of quotas.
- It is difficult to determine a base period that is fair to everyone. √√
- It leads to monopolies among domestic importers or foreign exporters to whom quotas are granted. √√

Disadvantages:
- Quotas are more rigid than tariffs, which can lead to a restriction in the amount that may be imported. √√
- Quotas are difficult to control. √√ **(12)**

8.5 1. Gross domestic and gross national product
GDP is the best measure of economic growth in a country. It is the value of all goods and services produced and offered within the boundaries of a country. √√
GNP is the GDP minus the remuneration of the foreign factors of production employed by foreign countries.
2 Inflation is the increase in the general price level together with a decline in the buying power of money. √√
3 Foreign trade is trade with other countries. √√
4 Unemployment related to people within the labour force who did not work during the seven days prior to the interview. √√
5 Productivity refers to the quantity and quality of outputs produced from certain inputs. √√
6 Interest rates – repo rate for commercial banks and prime rate for consumers. √√
7 Money supply is the amount of money in circulation at a given time and is usually controlled by the central banking authority. √√
8 Demographics - an estimate of the country's population. √√
9 Health - primary health care is important to the nation. √√
10 Education – it is a way to solve the county's problems and improve the standard of living. √√
Housing – Shelter is a basic need of every person. √√ **(Any 5 x 2 = 10)**
[50]

Section C (Answer all)
Question 9
(Allocation of marks for 9.1 and 9.2 will depend on the discussion)

9.1 Discuss the following:
1. Natural resources are not evenly distributed, some countries have resources and export them to other countries.
2. Climatic conditions differ. Certain products grow in certain areas and not in others due to climatic conditions.
3. Labour and technological differences between countries. Some countries have better trained and skilled labour and advanced technology.
4. Effective wants. Demands of individuals, groups and countries differ greatly.
5. Income – an increase in income level will lead to an increase in demand.
6. Established industries in highly developed countries.
7. Mass production coupled with lower unit cost.
8. Capital may be limited – owing to low level of savings, and sometimes sanctions, some countries are unable to raise funds in order to expand industries in a big way.
9. The development of modern communications and transport.
10. International migration helps to establish ties between countries.

Cost differences – traders tend to buy in a cheap market and sell in the most expensive market. **(20)**

9.2 The current account – records all money paid out and all money received for exchange of goods and services between countries. It comprises:
- Merchandise exports
- Net gold exports
- Service receipts
- Income receipts
- Merchandise imports
- Payment for services
- Income payments
- Current transfers (net receipts)

The capital transfer account
Shows a net or total figure for all the transactions that have occurred internationally, i.e. all capital funds that flow into or out of a county. The balance may be positive (+) or negative (-).
Financial account
The financial accounts include transactions connected to real assets and liabilities, for example buying of foreign assets such as businesses and shares by South Africa, or selling of assets to foreigners.
Reserve account
SA's foreign reserves are assets that are used by monetary authorities to help balance the balance of payment account.
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