

DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)

HOME SCHOOLING SELF-STUDY WORKSHEET

| SUBJECT | ECONOMICS | | GRADE | 12 | DATE | 02/07/2020 |
|-----------------|---|--|---|------------|-------------------|---|
| TOPIC | MICROECONOMICS | | TERM 1 REVISION | | TERM 2 CONTENT | Х |
| TIME ALLOCATION | 30 MINUTES | MARKS: 40 | | TIPS TO KE | EP HEALTHY | |
| INSTRUCTIONS | Answer ALL questions BOOK Number the answers the numbering system paper. Write the question num answer. Leave 2–3 lines betwee questions Write neatly and legib | correctly according to used in this question mber above each | WASH YOUR HANDS thoroughly with soap and water for at least 20 seconds. Alternatively, use hand sanitizer with an alcohol content of at least 60%. PRACTICE SOCIAL DISTANCING – keep a distance of 1m away from other people. PRACTISE GOOD RESPIRATORY HYGIENE: cough or sneeze into your elbow or tissue and dispose of the tissue immediately after use. TRY NOT TO TOUCH YOUR FACE. The virus can be transferred from your hands to your nose, mouth and eyes. It can then enter your body and make you sick. STAY AT HOME. | | | izer with an a distance of 1m NE: cough or f the tissue irus can be |

QUESTION 1 40 MARKS – 30 MINUTES

- 1.1 Answer the following questions.
 - 1.1.1 Name TWO elements of a hybrid structure of monopolistic competition.

(2)

1.1.2 Why is the short run economic profit of a monopolistically competitive firm not sustainable in the long run?

(2)

1.2 Study the information below and answer the questions that follow.

ARCELORMITTAL'S CARTEL BEHAVIOUR STIFLED SA INDUSTRIES

ArcelorMittal has agreed to pay a fine of R1,5 billion to the Competition Commission after admitting to being involved in anticompetitive behaviour through long-steel and scrap-metal cartels. At least five investigative complaints were brought against the steel manufacturer dating back as far as 2003.

ArcelorMittal's abuse of market dominance has had a massive effect on trade exports, the industrial sector and job creation downstream.

[Source: www.702.co.za]

1.2.1 Name the institution in the extract that investigates anticompetitive behaviour in South Africa.

(1)

1.2.2 Identify ONE aspect that was influenced negatively by ArcelorMittal's anticompetitive behaviour.

(1)

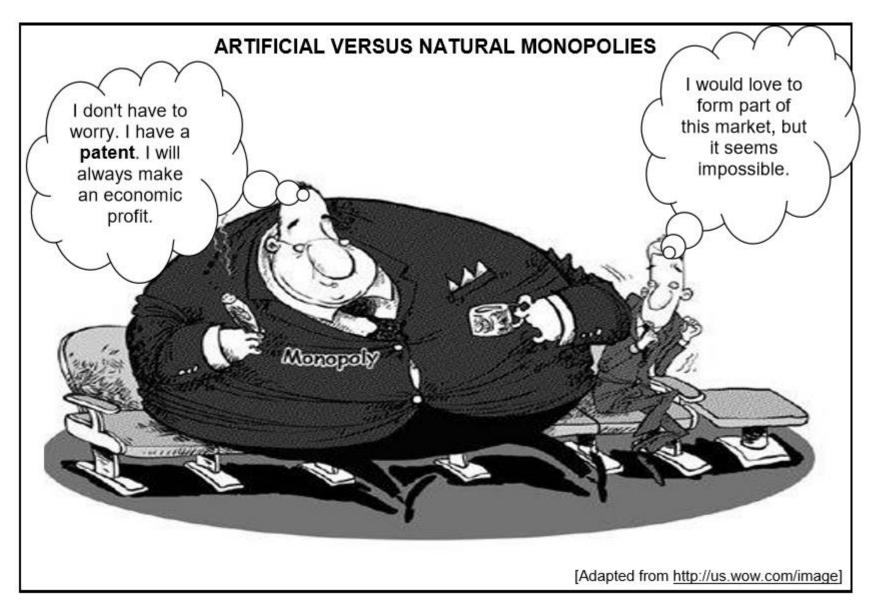
1.2.3 What is the role of the Competition Tribunal?

(2)

1.2.4 What is meant by market dominance?

(2)

- **1.2.5** How will ArcelorMittal's anticompetitive behaviour affect the industrial sector? (2 x 2)
- **1.3** Study the cartoon below and answer the questions that follow.



1.3.1 Identify the type of monopoly depicted in the cartoon.

| | 1.3.2 | How many firms usually dominate this type of market? | | (1) | |
|-----|---|---|---------|------|--|
| | 1.3.3 | Describe the nature of the product produced by a monopoly. | | (2) | |
| | 1.3.4 | How are natural monopolies created? | | (2) | |
| | 1.3.5 | Why will this monopolist always make economic profit in the long run? | (2 x 2) | (4) | |
| 1.4 | Explain | the aims of South Africa's antimonopolistic policy. | (4 x 2) | (8) | |
| 1.5 | .5 How will a monopolistic competitor, like KFC, compete with other fast-food chicken outlets to increase its market share? | | | | |
| | | | | [40] | |