

UNIVERSITY OF CAPE TOWN
FACULTY OF EDUCATION

THE TEACHING OF ECONOMICS:

**AN INVESTIGATION INTO THE AIMS, TEXTS, AND ASSESSMENT OF THE
SENIOR SECONDARY ECONOMICS CURRICULUM IN WESTERN CAPE
SCHOOLS**

**A dissertation
presented in fulfilment
of the requirements for the Degree of**

MASTER OF EDUCATION

by

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SEPTEMBER 1992

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ABSTRACT

This study concerns the economics curriculum in schools in the Western Cape as defined by syllabus aims, textbooks, and the Senior Certificate examination. The research for it was conducted by means of a teacher survey in secondary schools of the Department of Education and Culture, House of Assembly, Cape Education Department (CED); and the Department of Education and Culture, House of Representatives (HOR) in the Western Cape. This includes an analysis of the textbooks currently prescribed for economics, and an analysis of past Senior Certificate examination papers.

The dissertation commences with a description of the existing curriculum and its setting in the context of Christian National education (CNE). This is followed by discussion of the philosophy of economics education as practised in the west, in order to view the South African economics curriculum against this background.

The main aims of the present syllabus are discussed in terms of textbooks, teacher opinion, and the Senior Certificate examination. These aims concern the Christian character of economics, economics and Afrikaner nationalism, economics and capitalist values, as well as the vocational and formative value of economics. They are considered central to an understanding of how classroom economics has been affected by CNE, apartheid doctrine, and Afrikaner master symbols.

This is followed by an investigation into the operation of the specific objectives of the syllabus and classroom practice of economics. These are described in terms of three groups of questions which formed part of the teacher survey. The questions addressed issues of teaching aimed at engendering interest in current economic events and the application of theory in the analysis and interpretation thereof; the purpose of economics teaching; and the importance and influence of content, textbooks and examinations in classroom economics.

The content of the 1983 core syllabus is further considered in the light of teachers' responses to it and the opinions gained from the teacher survey are used in the final chapter as part of the basis of recommendations for remaking the content of the economics curriculum.

Proposals are made for the remaking of the economics curriculum in the future on the basis of: the aims in terms of "economic literacy"; classroom practice and teaching trends in terms of "process learning"; and the content of classroom economics on the basis of "citizenship".

ACKNOWLEDGEMENTS

I thank my wife, Lindsay, for her loving patience and support while completing this dissertation. And to Andrew and James who have been waiting a long time for me to "play games"! Bring them!

I am most grateful to those teachers who took the time and trouble to complete the questionnaire fully - without you this dissertation would have been meaningless.

Thank you to my headmaster and colleagues who have been a constant source of encouragement.

I have enjoyed much long-suffering and support from my supervisors, Dave Gilmour and Rob Siebörger. Thank you for all your assistance and encouragement and for being available to help at all hours of the day and night.

To Rosemarie, and Paddy, who came to the rescue with the final production of this dissertation; and to my mother-in-law, Mona, for helping with the proof-reading - Thank you!

INTRODUCTION

The secondary school economics teacher in South Africa has been faced with the dilemma of an economics curriculum tailored to the demands of CNE compared to the internationally practised teachings of the philosophy of positive economics. Internationally accepted economics forms the basis of training of most economics teachers, while the doctrine of apartheid and the master symbols of the Afrikaner form a part of the aims of the core syllabus, and are included in the approved texts and process of assessment of classroom economics. Aspects of internationally practised teachings of economics are included in the syllabus but the extent to which this economics is taught and CNE doctrine implemented is to a large extent dependent on the classroom teacher.

Since 1948 the doctrine of CNE has meant that apartheid, Afrikaner nationalism, and the Afrikaner master symbols were extended so that they became all pervasive in the curriculum. This doctrine became part of the schooling for all pupils regardless of language, race or creed. The syllabus, approved textbooks, the teaching itself, the process of assessment and the entire schooling system was submitted to a policy based on an Afrikaner viewpoint of nationalism and religion. The religious doctrine was based on the Calvinist protestant Christian faith as understood and espoused by the major Afrikaans churches in South Africa.

The author's initial introduction to and experience of teaching economics within a Cape Education Department (CED) school under the present circumstances has led to a desire to evaluate and bring about change. This study has originated from the following perceived problems:

- a. The need to move away from CNE, apartheid, and the dominance of Afrikaner master symbols in economics. The first two main aims of the syllabus which centred on the Christian national emphasis were considered particularly problematic for many teachers.
- b. The watered down approach to economics compared to that taught in the teachers' university training and the neglect of the scientific approach of positive economics in the classroom.
- c. Classroom economics was generally considered a low status subject to be taken by the pupils who were thought of as being "not too bright" because it was seen only as involving facts that could be learnt.
- d. A slavish adherence to facts reproduced from textbooks with little regard to the reliability of the texts, and the use of other reference works and resources.
- e. Too much importance being given to Senior Certificate examinations and results and the way in which teachers appeared to 'tow-the-line' in order for their pupils' and subject work to be acceptable.
- f. The dull, repetitive nature of sections of the core syllabus with little, if nothing, being done to change the situation.

From the above the central research problems in the dissertation concern the following:

- a. The aims of the core syllabus.
- c. The use of a single approved textbook in many schools.
- d. The dominant role of the Senior Certificate examination.
- e. Rote memorisation of content to be reproduced in examinations.
- f. The nature of much of the content of the syllabus.

Substantial change was considered necessary in these areas for any substantial turnabout to occur in classroom economics. The main problem was considered to be the matter of how to change the teacher so that internationally accepted economics becomes central to the classroom learning process. The teacher seemed too often to be controlled by textbooks and examinations. The research into the secondary school economics curriculum was therefore, undertaken on the basis of a teacher survey within the Western Cape schools of the Department of Education and Culture, the House of Assembly, Cape Education Department (CED), and the Department of Education and Culture, House of Representatives (HOR). This survey is described in Chapter Three.

The dissertation begins however with the school economics curriculum being defined in terms of the aims, texts, and assessment; and is described in Chapter One. This includes a description of the 1983 core syllabus and aims, an analysis of the approved textbooks, and an analysis of trends in recent examination papers of both the Standard and Higher Grades of the CED and HOR. For practical purposes the rest of the dissertation focuses on the economics Higher Grade syllabus as there is essentially little difference between the content of the grades. Chapter Two then describes the international philosophy of economics education as an essential basis of comparison with and evaluation of classroom economics.

Chapters Four to Seven are organised in terms of the general objectives (main aims) of the present core syllabus for economics (JMB, 1983). These include the issues of economics and Christianity, economics and nationalism, economics and capitalism, and the vocational and formative value of economics. This discussion focuses on the textbooks, the Senior Certificate examinations and the teachers' opinions as gathered in the survey. The descriptions of the curriculum in Chapter One and economics philosophy in Chapter Two help one towards an understanding of the position of classroom economics, and what it might be in terms of these objectives.

Chapters Eight and Nine focus on the response of teachers to the questions in the questionnaire relating to classroom practice and the content of the syllabus. The

questions relating to classroom practice pertain to an understanding of the approach to this subject by the economics teacher and the extent to which the syllabus detailed (particular) objectives are applied in the classroom. The discussion considers opinion related to economics theory and application to current events; the purpose of economics teaching in terms of product-based or a process learning approach; and the influence of content, textbooks and examinations.

The final chapter is concerned with the construction of a new curriculum for classroom economics. As a background to this a socially invented tradition of economics teaching is considered. Suggestions are then made as to guiding principles or central aspects on which the classroom economics curriculum could be remade. These central aspects recognise the invented tradition of neo-classical and positive economics, as described in the philosophy of economics education in chapter two, and indicate the possibility of a new and more worthwhile classroom economics curriculum.

CHAPTER ONE

THE ECONOMICS CORE SYLLABUS AND CURRICULUM

The economics curriculum is set in the context of the Afrikaner policy of Christian National Education (CNE). This policy has been implemented together with the policy of apartheid of the National Party which came to power in 1948.

Any hope of an end to racism in the provision of education was dashed when the National Party came to power in 1948 on the basis of a pledge to defend white privilege. Thereafter the country moved into a new era of apartheid education ... Christian National Education (CNE) meant that the segregationist policies of the past were to be extended to embrace the philosophy of Afrikaner nationalism ... Christian National Education was concerned to emphasise a Calvinist world view and an Afrikaner nationalist political order (Kallaway, 1988:8).

By the time the Nationalists came to power in 1948, Christian Nationalism, as a framework for education policy, was in place. As a Federasie van Afrikaanse Kultuurverenigings (FAK) pamphlet of 1948 expressed it, the Christian principle of this policy meant that education had to be based on the Bible, while the nationalist principle demanded that for all the ethnic groups the school should inculcate love of 'their own' and, in particular, a love of their country, language, history and culture.

Soon after coming to power the Nationalists began to restructure education according to the principles of Christian Nationalism (Giliomee et al, 1989:51-2).

The policy of education is now undergoing scrutiny by the political, educational and other groups. Until such time as the entire policy of CNE is replaced it remains the cornerstone of education and, therefore, the syllabus, textbooks, and examinations.

The economics which is taught has coincided closely with the viewpoint of the ruling Afrikaner elite. The interpretation of the syllabus is one which is based on a mixture of aspects of capitalism and economic aspects of apartheid policy. For example, homeland policy is integrated with decentralisation and justified on these economic grounds; whilst the role of black peoples in the historical development of the economy is ignored and the perspective is almost entirely eurocentric.

The core syllabus forms the basis of the school economics syllabus.¹ This syllabus is for the Senior Secondary phase only as economics is not offered in the Junior Secondary phase at present. Effort needs to be made in the Standard Seven year to explain what the subject is about as the choice of economics means giving up an existing subject about which the pupil has some knowledge and experience. The present core syllabus was introduced in Standard Eight in 1983 and progressively in Standards Nine and Ten in the following two years. A new House of Assembly core syllabus with minor changes is to be introduced in Standard Eight in 1992 and Standards Nine and Ten during 1993 and 1994 respectively.

The present syllabuses are divided into the following sections:

- a. The field of study of the subject economics
- b. General objectives in the teaching of economics
- c. Particular objectives of economics
- d. The scope and nature of the subject matter
- e. Approach
- f. Examination
- g. An outline of syllabus content

The description which follows under the headings of sections of the syllabus is an outline of the present curriculum with some reference to changes in the 1992 House of Assembly official core syllabus.

The field of study of Economics

Economics is described, in the syllabus, as meaning 'to keep house' and this is related to the national economy in which choice is made between various scarce resources in order to satisfy the wants of the people. Economics is viewed in the core syllabus as applying specifically to the theoretical aspects of the national economy and mainly the "theorising of the macro-economic actualities. It is a socio-cultural science with a normative character and as such it is by nature analytic-theoretic and a study is made of the universal laws governing all economic activities. Economics thus leads to the formulation and manipulation of abstract concepts which are linked in a logical system." (1983:1)

Economics is seen as being closely linked to the other human sciences but peculiar in the scientific approach and methods which are applied. "Economics ... has its own character which distinguishes it from other sciences" and "... deals with the national economy as a whole and has as study object the macro-economic realities. In its scientific treatment economics, as a science, follows a macro as well as a micro approach." (1983:1)

General objectives for the teaching of economics

The existing syllabus as well as that to be introduced from 1992 contains the following general objectives:

1. The teaching of economics must have a Christian character, i.e. the subject matter, handbooks, the presentation of the teacher and the class atmosphere must be in accordance with the Christian way of life.
2. The teaching of economics must have a national character, i.e. it must instil in the pupil a love for and interest in what is peculiar to the Republic of South Africa and her people.

3. It must promote an appreciation of the South African economic system, which is based on free enterprise, private ownership, freedom of economic activities, in contrast with other economic systems, e.g. state controlled economies.
4. It must be of a general formative nature and vocationally directed.

These aims are intended as the general foundation of the syllabus and have their origin in the policy of CNE. The main thrust of the objectives is that teaching will have a Christian foundation as well as develop pride in the national achievements of the economy which is presumed to be based on capitalism.

No suggestion whatsoever is made as to how this Christian character of economics teaching is to be achieved. Neither does the outline of the syllabus content give any indication of where Christian values can be introduced. It is assumed that all teachers hold to the same values and beliefs and that they would automatically know how to apply the principles. It seems that the objectives have been placed in the syllabus document because it is part of accepted policy and not because of any direct link to syllabus content. Van den Berg and Buckland write in a similar manner about senior secondary history.

...the aims remain very general and in fact are better understood as justifications for the teaching and learning of history. There is, thus, no attempt to indicate how any specific aim is to be achieved by any specific part of the syllabus (1983:8-9).

Teachers who hold to the particular values desired will implement much of these objectives as a matter of course but others will not make any conscious effort to achieve them either in daily teaching or in assessment procedures adopted.

Specific (particular) objectives of the economics syllabus

The specific objectives link partly with the general objectives but address the more specific aims of economics teaching. The objectives listed are taken from the current syllabus but are the same in the new syllabus except for minor changes in wording.

These objectives are that:

1. It must promote insight into the South African national economy, the economic-historic development thereof, its particular characteristics, objectives, strong points, shortcomings and problems.
2. It must promote an understanding of the basic economic problems. The pupil must understand that all national economies are confronted by similar problems but that these problems cannot be handled in the same way, in view of the unique circumstances pertaining to various countries.
3. It must promote an understanding that the solutions for such economic problems must be sought by weighing them up against particular goals, values and norms.

4. It must lead to the acquisition of a good basic knowledge and understanding of the economic principles attached to local, national and international economic problems to enable the pupil as a future producer, consumer and citizen to take economically based decisions.
5. It must promote the ability to apply an analytic approach in respect of economic problems and personal economic matters. Rational thinking must be the basis of economic action.
6. It must provide the pupil with insight into economic concepts (subject terminology) used daily in all communication media and must draw attention to the generally accepted economic laws and tendencies and how they influence the South African economy.
7. It must assist pupils to develop the ability to read statistical data, tables and graphs with more insight and understanding and to interpret them intelligently.
8. It must promote logical, abstract, objective thinking.
9. It must inspire pupils to continue with more advanced study of this subject.
10. It must make pupils aware of the interrelationship and interdependence of the different sectors of the economic realities as a whole.

These objectives should be seen together with the section on the scope and nature of the subject matter as well as the approach which needs to be adopted towards the teaching of economics. The objectives in general call for understanding of the deep structure of economic content and not merely the memorisation of surface material. The intention is that pupils will be able to understand, identify with and be able to apply economic theory to the real world. This will be evident in their ability to understand and interpret current events, data etc. This implies the use of a wide source of reference material and not merely the particular approved textbook chosen by the school.

The scope and nature of the subject matter

This section shows complete correlation between the existing syllabus and that introduced in Schools using the House of Assembly syllabus (1992), except for minor changes in wording.

The scope of the subject is expected to be such that broad outline is given rather than intensive study. This is based on the grounds that most pupils do not continue with economics after school. One of the problems is that this leads to a dependence on content which is seen as fact to be memorised for examination purposes. There is some contradiction between what is expected here and what is stated in the particular objectives. For instance, the particular objectives indicate the need for insight, understanding, and the ability to relate to the economic problems of a society and possible solutions to these problems. This requires more than memorisation of surface knowledge.

The nature of the subject is regarded as being both analytic-theoretic and descriptive. The teacher should differentiate between Higher and Standard Grade according to the following criteria:

- a. Presentation ... must link up with the stage of development, maturity and ability of the pupil.
- b. The relation between the descriptive and analytic-theoretic subject matter.
- c. The relation between and correlation with other economic sciences in particular and the other social sciences in general.
- d. The linking-up with the world and experience of the child to utilise fully the valuable potential contribution of the childhood experiences - in this way learning becomes an adventure for the child, either through actual or imaginary experiences, e.g. a difference in the degree of difficulty of examples, models, case studies, graphic presentations etc.
- e. Problem-solution assignments must be adapted to the maturity and ability of the pupil:
Higher Grade - more theoretically based
Standard Grade - more practically based
- f. A study in broad outline is in respect of both grades more or less the same, but an intensive study in respect of certain aspects, especially theory, is required in the Higher Grade.
- g. Evaluation:
Higher grade: A healthy balance between insight and direct essay type questions. Objective short questions (a maximum of 20% may be set).

The nature of much of school organisation, the ability of many of the pupils as well as attitudes towards content, e.g. the product-based approach, makes it difficult to turn much of classroom activity into an "adventure for the child". In mixed ability classes the teacher may aim activities towards the average child and not be able to properly differentiate between Higher or Standard Grade. Much of what is included, under the scope and nature of the subject matter in the syllabus, cannot be satisfactorily achieved without changes in assessment methods, the nature of class composition, changes in attitudes towards classroom economics, and other factors.

Approach

This section also shows complete correlation between the existing syllabus and that introduced in Schools using the House of Assembly syllabus (1992), except for minor changes in wording.

The syllabus (1983:2) states that the subject must not be approached as a purely abstract subject and that it is academically unsound to merely memorise the definitions and laws. Economics is regarded as being relevant to everyday life and, therefore, topical. It is possible to link theory with the reality of daily experience and news items. *How?*

A description of the historic background to much of economics is considered necessary to the understanding of existing systems and institutions.

Experience or fantasy is regarded as a suitable means of introducing the subject to the child and linking to the childhood world.

The subject should be introduced with basic concepts and then applying them to particular circumstances. The approach of the core syllabus is to move from the general to the particular.

Pupils should be encouraged to read economic material e.g. the Financial Mail, reports in newspapers, etc. The classroom should be used as a point at which to introduce the child to economics publications and it is expected that school libraries be stocked with relevant economics texts and magazines.

The approach called for by the syllabus links fairly well with the particular objectives. It can only be implemented if more than surface knowledge is taught and if the teaching does not depend on the memorisation of a vast number of so-called facts. Attempts to give only a broad outline, as indicated in the scope of economics, tends to work in support of the memorisation of facts and can lend itself to a product-based approach entirely.

Examination

The syllabus states that the examination must only cover work of the current year. The recommended length of the examination is three hours for both grades.

Differentiation is applied on the basis that Standard Grade papers include questions of a mainly direct nature. Higher Grade papers are expected to include a healthy balance between questions testing the candidate's insight, and direct essay type questions.

The current core syllabus (1983) lays down the following requirements for Senior Certificate examinations:

1. Both grades are to be three hours in length
2. Standard and Higher Grade count 300 and 400 marks respectively.
3. Standard Grade papers include nine questions of which six must be answered. Examiners may set one compulsory unit of short objective questions. All questions will be of a direct nature. Each question (unit) usually counts 50 marks.
4. Higher Grade papers include ten questions of which six must be answered. The paper is divided into two sections. Section one includes four questions of which two must be answered. These questions count 80 marks of which 20 marks (one-quarter) are allocated for insight. These questions are intended to test

insight and logical reasoning. Section two includes six direct questions of which four must be answered. These questions count 60 marks each. One of these questions may be set as a compulsory unit of short objective questions.

5. Higher Grade questions are expected to be of a greater degree of difficulty than Standard Grade questions covering the same work.

The syllabus to be introduced from 1992 and effective for Senior Certificate in 1994 (See Appendices 3 and 4) will bring about the following examination changes:

1. *Standard Grade*: One compulsory question consisting of short objective questions counting 100 marks must be set. The remainder of the paper is to include seven questions of a direct nature of which five must be answered. Each question is to count 40 marks.
2. *Higher Grade*: Section A is to include one compulsory question of short objective questions counting 100 marks. Section B will include the questions testing insight and logical reasoning which will now count 50 and not 80 marks. Section C will include the remaining six questions of a direct nature of which four must be answered. These questions will count 50 marks each.

Although the new core syllabus alters the number of marks and structure of the Senior Certificate examination paper the changes are mainly of a technical nature. There is no attempt to alter the nature of the examination in any real way.

Complaints by teachers, to the education authorities, with regard to examinations usually result in teachers being directed back to the core syllabus but this often does not resolve their problems as these teachers believe practice to be other than that espoused by the core syllabus. The Senior Certificate examinations, therefore, have an extremely powerful effect on what happens in the classroom. Instead of consulting the syllabus document many teachers consult past examination papers with regularity during the year when attempting to interpret what content should be taught.

There is also a 'backwash effect' as Standards Eight and Nine are also affected. For example, many teachers structure all examinations on the patterns they anticipate at the end of Standard Ten and ensure that content is taught in a similar mould to that of the Standard Ten year.

Teachers attempt to become part of the 'in group' by gaining access to Senior Certificate memorandums in order to advantage their pupils. This access is gained either through becoming sub-examiners or by obtaining a copy of the memorandum. This process could easily be negated by making memorandums public and distributing copies to schools. Some patterns are evident if a selection of Senior Certificate papers from 1985 to 1991 is analysed.²

The 80 mark questions asked are indicated in the table which follows in terms of the syllabus sections. They show the important trends.

HIGHER GRADE EXAMINATION - EIGHTY MARK QUESTIONS

Syllabus Section	CED	HOR
STANDARD TEN	n=6	n=7
SUBJECT AND SCOPE OF ECONOMICS	17%	14%
REMUNERATION OF THE FACTORS OF PRODUCTION	33%	57%
THE STATE	67%	100%
NATIONAL INCOME	17%	14%
PRESENT ECONOMIC STRUCTURE OF SA	67%	85%
INTERNATIONAL ECONOMICS	83%	43%
ECONOMIC TOPICS	50%	71%

In HOR papers questions on 'The State' (100%), the 'Present Economic Structure of SA' (85%), and 'Economic Topics' (71%) are asked very frequently whilst questions on the 'Remuneration of the Factors of Production' (57%) and 'International Economics' (43%) are asked in about half of the papers analysed. CED papers indicate some overlap with HOR papers in this regard but the sections are not examined as regularly. The most regularly examined section in CED papers is 'International Economics' (83%), then 'The State' and the 'Present Economic Structure of SA' with 67% of questions asked on each of these two syllabus sections, followed by 'Economic Topics' which appear in 50% of papers.

The same analysis is not meaningful for the remaining questions of the Higher Grade papers as questions are set in such a manner as to cover (in part) all major sections of the syllabus. The table which follows indicates the regularity with which specific sections of the syllabus are examined in written answers. This analysis includes both 60 and 80 mark questions which require written answers, but not the quotations including short objective questions.

HIGHER GRADE EXAMINATION: WORK QUESTIONED REGULARLY

Syllabus Section	CED	HOR
STANDARD TEN	n=6	n=7
POLLUTION AND WATER	83%	57%
ESKOM, ISCOR AND SASOL	67%	29%
LOCATION OF INDUSTRY	100%	57%
PROTECTION (INTERNATIONAL TRADE)	100%	86%
CAPITALISM	50%	29%
TAXATION	100%	71%

The table indicates that 'Location of industry', 'Protection', and 'Taxation' are asked in all (100%) of the CED papers and is followed closely by questions on water and pollution (83%). This same trend is not evident in HOR papers which indicates some flexibility in terms of the areas examined, which cannot be said about the 80 mark questions. However, 'Protection' (86%) and 'Taxation' (71%) are examined very regularly in HOR papers.

The Standard Grade examinations of both departments are analysed on the same basis as the latter table on the Higher Grade papers as these papers also tend to cover all major sections of the syllabus. For the sake of easy comparison with the Higher Grade papers and because of the dominance of these sections, the same syllabus sections are identified for the regularity with which these are examined.

STANDARD GRADE EXAMINATION: WORK QUESTIONED REGULARLY

Syllabus Section	CED	HOR
STANDARD TEN	n=6	n=8
POLLUTION AND WATER	100%	100%
ESKOM, ISCOR AND SASOL	83%	100%
LOCATION OF INDUSTRY	83%	100%
PROTECTION (INTERNATIONAL TRADE)	83%	100%
CAPITALISM	83%	75%
	100%	100%

The sections indicated in the table, with the exception of 'capitalism', appear in all HOR papers. CED papers indicate slightly greater flexibility but all the syllabus sections indicated in the table are questioned in most papers. This means that six out of the nine questions asked in Standard Grade papers are fairly predictable in most years for both departments but particularly so for HOR papers.

The examinations of both departments for both Standard and Higher Grade indicate a fairly high degree of inflexibility in terms of the syllabus sections examined. There is also a bias towards issues of a political nature and which indicate an Afrikaner nationalist ideological influence. 'Protection', 'location of industry', and 'state enterprises' are very much linked with survival of the Republic and issues of Afrikaner symbolism as indicated in the section on the analysis of the general objectives of the economics syllabus.

An outline of syllabus content

Differentiation between Standard and Higher Grade is not made in this outline as differences are mainly based on the depth and degree of insight and logical reasoning which is required. The Standard Ten year also introduces Higher Grade pupils to a number of economics theories. The table which follows represents an outline of the main sections of the present syllabus and is not intended to give syllabus detail (See Appendices 1 and 2).

The titles on the left side of the table (Standard Eight to Ten Core Syllabus) represent the major section titles of the syllabus whilst those across the top different aspects and fields of the subject of economics. These divisions do not cover all aspects of the subject but serve to identify the major ones which are dealt with in the syllabus.

It is not a simple task to analyse economics on such a basis as some sections cover a number of fields. For instance, the division of micro- and macro-economics is in itself open to criticism. Lipsey writes: "There is no clear-cut dividing line between macro- and micro-economics The division ... is not a matter of right and wrong but rather a matter of convenience. (1975:455)

In **Standard Eight** the introductory section could appropriately be regarded under the heading 'introduction to economics' but this section by its nature covers a wide number of areas. The main thrust of this Standard is really that of economic history which is also mainly descriptive. Emphasis is more on content and the learning of facts.

STANDARD EIGHT TO TEN CORE SYLLABUS

Syllabus Section	Descriptive Economics	Economic History	Monetary Economics	Micro-Economics	Macro-Economics
STANDARD EIGHT					
Introduction and Basic Concepts	X			X	X
Economic Systems and Stages of Development		X			
Development of the SA Economy		X			
Monetary Economics			X		
STANDARD NINE					
Demand and Consumption				X	
Markets and Price Formation				X	
Production of Economic Goods and Services				X	
Monetary Economics			X		
STANDARD TEN					
Subject and Scope of Economics	X				X
Remuneration of the Factors of Production					X
The State					X
National Income					X
Present Economic Structure of SA	X				
International Economics				X	X

In **Standard Nine** the emphasis of the syllabus is that of micro-economics. The major portion concerns the allocation of resources and the formation of price and not the flow of income (which is macro-economics). The market is, therefore, the main thrust of this syllabus. Although there is a fairly large amount of content the major emphasis is understanding and application of the relevant concepts. This Standard is generally in line with the particular objectives of the syllabus and facilitates the recommended core syllabus approach. The section on monetary economics is really a completion of the section commenced in Standard Eight. The sections dealing with the value of money, inflation etc. can be seen as part of other aspects of economics and could be classified separately.

The **Standard Ten** syllabus is largely that of macro-economics and to a lesser extent descriptive economics although the 'subject and scope of economics' could be seen as 'introduction to economics', and 'the state' could be regarded as mainly 'public finance'. Much of this syllabus is content bound and descriptive in nature and deals mainly with surface information. The nature of this syllabus lends itself to a product-based external Senior Certificate examination.

The main approach of the core syllabus is that of positive economics, where economics is regarded as a science and, therefore, governed by a number of (inexact) laws. Statements about issues (in terms of the models and theories presented) are regarded as fact and not contested on the basis of moral or other judgements (normative economics). In terms of the syllabus this allows for capitalist and apartheid thinking to be presented as the truth and other alternatives being ignored.

In the case of teaching on capitalism, the syllabus draws on the conservative market-based economics teaching which is common in the economics education of the west. Texts by authors such as Lipsey, Samuelson, Heilbroner and others are common reference works for teachers as these were used in their own training. A small number of texts have wide influence. The syllabus draws in particular on much of the market thinking of the classical scholar, Adam Smith, as well as neo-classical thinking and, therefore, much of the theory of economists such as Marshall. Other well-known theories and writing referred to includes some of the work by Ricardo, Malthus, Keynes and others.

The apartheid-based economic thinking of the nationalist ruling elite is regarded as fact. For instance, homeland policy is regarded as economically normal and part of a healthy decentralisation program. The syllabus is euro-centric and virtually ignores the fact that South Africa is part of Africa. The pupil is not taught to question this thinking and can easily be led to merely accept it unless the teacher makes an effort to counter this approach.

The end result of such a syllabus is that pupils will see apartheid economics as normal and will identify with conservative capitalist thinking. Their brief encounter with economics will lead them to interpret economic events in the light of capitalism. Their knowledge of alternative systems, such as socialism will be inadequate and mainly negative as its inclusion in syllabus content is negligible. Economics will be viewed as synonymous with capitalism.

The Department of Education and Culture, House of Assembly syllabus introduced from 1992 (See Appendices 3 and 4) onwards has almost the same content as the current syllabus with the exception that the sections have been divided into modules and weighted relative to the importance of each section, as well as a fair amount of juggling of work between standards. *The following changes occur (not taking into account minor technical re-organisation of work):*

Standard Eight

The section on the historical development of money has been included with the stages of economic development and the rest of the work on functions of money and banking has been removed.

A module dealing with participants in the economy has been introduced and used to group work more coherently into a separate unit. It includes households, business enterprises, the government, foreign sector, the circular flow and business cycles, and the SA population and labour force.

Standard Nine

Under the module on 'the means and processes in the production of economic goods and services' the work on the income of factors of production previously dealt with in Standard Ten has been included. Also included in this module is a section on the use of economic goods and services (which includes an introduction to some of the basic concepts involved with national income).

A module is introduced on the 'economic system' dealing with the market system, socialism, and the RSA's mixed economic system (which partly contradicts the assumption of capitalism made in general objective three). Much of this was previously part of the Standard Ten syllabus.

The section on the 'present economic structure of the RSA' has been shifted from Standard Ten to Standard Nine, and the section on 'price formation' (including wants, value and utility, demand and supply) shifted to the Standard Ten syllabus.

The module on 'monetary economics' includes much of the work dealt with previously in Standard Eight plus that currently included in the Standard Nine syllabus.

Standard Ten

A module is introduced on 'price formation' and includes the work currently in the Standard Nine syllabus under wants, demand, value, utility, supply, markets, competition etc.

A module on 'economic development, regional development and urbanisation' is included. This is an extension of what is currently included under location of industries, centralisation and decentralisation.

The sections of work dealing with the 'definition and field of study of economics' etc., 'the factors of production', and the 'present economic structure of the RSA' have been removed and shifted to the Standard Nine syllabus.

The module on 'important SA economic topics' is re-structured in such a way that two topics must be chosen. The topics include labour relations, productivity and unemployment, inflation, and strategic resources in SA (which includes water, energy and other strategic economic activities).

The changes to this syllabus do not reflect substantial change in approach or aims of classroom economics. The idea of grouping work into modules has been implemented. Teachers will be able to teach topics such as that dealing with money as an integrated whole in a particular standard. A little cognisance has been taken of current events. e.g. support for a mixed economy. The 1992 CED syllabus continues to reflect mainly the thinking of the ruling Afrikaner elite.

The Textbooks

The role of the economics textbook is powerful. Many of the comments and criticisms of the core syllabus are really applicable to the approved textbooks and not the syllabus document itself. Since 1974 there has traditionally only been one approved textbook which is the series for Standards Eight, Nine and Ten by Swanepoel et al (1983, 1984, 1985). It is only since 1984 that a second book, by Levin and Wait has been introduced. Most, if not almost all schools still make use of the Swanepoel et al (1983, 1984, 1985) books for a variety of reasons of which financial cost, and the role of Senior Certificate examinations are two of great importance.³

Pupils and teachers often assume that the textbook is the "correct" interpretation of the syllabus. For instance, many teachers believe that the Senior Certificate examination is set directly out of the book by Swanepoel et al (1985) and as such end up teaching the book.

The end result is that many of the more noble aspects of understanding and application of economic principles as explained in the objectives and approach in the syllabus document are almost entirely ignored. The textbooks by Swanepoel et al (1983, 1984, 1985) are written in such a way that large sections consist of lists of facts, which encourages rote learning. Questions at the end of chapters do not generally involve problem-solving but recall of 'facts'. Case studies are not included.

Pupil success in examinations becomes the major objective in order to satisfy pressure for good results emanating from pupils, parents, the School Principal and others. Pupils often end up memorising the textbook. A major problem with this approach is that the learning of these so-called facts is then misunderstood as understanding economics and fulfilling what is intended by the syllabus. The principles as explained in the objectives and approach in the syllabus document are almost entirely ignored. In fact those who implement the syllabus particular objectives and approach are often penalised for adopting the intended aims of the subject. The table which follows is useful in indicating the importance given to the sections of the core syllabus by the two approved school textbooks.

STANDARD EIGHT TO TEN CORE SYLLABUS

Syllabus Section	Swanepoel et al	Levin and Wait
STANDARD EIGHT		
Introduction and Basic Concepts	34%	29%
Economic Systems and Stages of Development	20%	21%
Development of the SA Economy	23%	19%
Monetary Economics	23%	31%
STANDARD NINE		
Demand and Consumption	20%	17%
Markets and Price Formation	19%	22%
Production of Economic Goods and Services	36%	46%
Monetary Economics	25%	15%
STANDARD TEN		
Subject and Scope of Economics	8%	7%
Remuneration of the Factors of Production	12%	15%
The State	16%	24%
National Income	11%	12%
Present Economic Structure of SA	19%	11%
International Economics	22%	24%
Economic Topics	12%	7%

The Standard Eight and Ten textbooks by Swanepoel et al (1983, 1985) are considerably larger than those by Levin and Wait (1984, 1985) and so the percentages concerned represent a larger number of pages even when identical. However it is the proportion of the book which is allocated by the authors which gives a measure of insight into the importance attached by them to the various sections of the syllabus. In some instances Swanepoel et al is very repetitive while some sections of Levin and Wait are lacking in basic information. The 1983 core syllabus does not indicate any weighting of sections of the work although the 1992 Department of Education and Culture, House of Assembly syllabus does.

Both Standard Eight textbooks allocate a large portion of pages to 'introduction and basic concepts'. Levin and Wait (1984) also include a more lengthy discussion on economic

systems and this has been included in this analysis as part of 'introduction and basic concepts'. The page analysis shows that even with the additional section by Levin and Wait (1984) the book by Swanepoel et al (1983) allocates 5% more of total pages to this section of the syllabus. Both books give similar importance to the development of economic systems and stages of development of the SA economy whilst Levin and Wait (1984) give considerable more attention to monetary economics. Both books, therefore, devote at least 40% of pages to economic history (See table on syllabus content).

Micro-economics is the emphasis of both **Standard Nine** textbooks. However, Levin and Wait (1985) allocate considerably more pages to 'production of economics goods and services' and, therefore, the supply side of the market. In contrast to their **Standard Eight** book Levin and Wait (1985) only allocate 15% of pages to monetary economics whilst Swanepoel et al (1984) allocates 25% of pages to this syllabus section. Whilst Swanepoel et al (1984) is repetitive in this section it can be argued that Levin and Wait treat this section too lightly. The structure of the chapters in Levin and Wait (1985) are such that they more closely represent the sections of work as laid out in post-school economics texts.

The **Standard Ten** textbooks only show two areas of substantial difference in emphasis. Levin and Wait (1985) allocate 24% of pages to 'the state' whilst Swanepoel et al (1984) only allocates 16% of pages. Levin and Wait (1985) pay particularly more attention to the role of the state in production, the budget, and state expenditure. Swanepoel et al (1985) allocates 12% of pages to 'economic topics' whilst Levin and Wait (1985) only 7% of pages. Swanepoel et al (1985) gives far more detail in all three economic topics. As is the case with the syllabus, both textbooks devote the majority of pages to macro-economics. This seems to support the descriptive approach which is adopted and the memorisation of facts for recall in examinations. There does not seem to be any purposeful link between proportions of the textbooks allocated to syllabus sections and emphasis in examination papers. Although major sections of the textbooks are allocated to 'the state', 'present economic structure of SA', 'international economics' and these sections of work are included in most Senior Certificate examination papers of the CED and HOR.

Conclusion

Much of the economics presented in high schools is based on a product-based approach to education. A product-based approach essentially involves pupils being presented with content which is reproduced in more or less the same form in examinations. This is particularly noticeable in the role played by the Senior Certificate examinations and the way

in which the textbook of Swanepoel et al (1985) is widely used as the major portion of content taught and accepted as the "correct" interpretation of the economics syllabus. This in essence contradicts some of the intentions of the syllabus as declared under 'approach' and the 'particular objectives'. The product-based approach is strengthened by the ethos of the Afrikaner dominated apartheid structure of the school system and the desire for control of knowledge and is seen more clearly in the later analysis of objectives.

The discourse of Fundamental Pedagogics, the philosophical "system" built on the premise of CNE, came to dominate the school curriculum and the training of teachers and educationalists in all but the four English language universities (Kallaway, 1988:9).

Stenhouse writes that many teachers have the major goal of ensuring that their pupils pass examinations, even if this means that based on proper understanding a large number do not deserve to pass (1975:96). Such teachers are intent on producing a product which is acceptable in terms of results to post school educational institutions and industry. The effectiveness of South African schools is often measured in terms of Senior Certificate results and so reflects a major bias in favour of product-based analysis. The degree to which this product-based approach filters downwards in schools often depends on authority structures within schools and the persuasions of individual teachers.

The secondary school that is intent on producing a good 'product' will in many instances have set itself clear means-end curricular objectives, and will most probably entirely ignore a process-based approach to teaching. Stenhouse writes that "... the filtering of knowledge through an analysis of objectives gives the school an authority and power over its students by setting arbitrary limits to speculation and by defining arbitrary solutions to unresolved problems of knowledge" (1975:86). In many communities this power and undue exercise of authority and control over what is supposedly good education extends well beyond the school family to the wider society of which the school is a part.

A product-based approach to education might appear healthy in the short run but it has serious long run shortcomings in that the pupils merely memorise pre-determined surface knowledge, and are able to reproduce vast quantities of content handed down and approved by the teacher. This is particularly true of the Standards Eight and Ten economics syllabus.

The Standard Eight textbooks are seen to devote about 40% of pages to economic history while the Standard Ten syllabus and texts tend to be mainly descriptive in nature without due regard to the deep structure of economics knowledge and philosophy. In contrast a process-based approach would enable the pupils to come to grips with the deep structure of knowledge and hence the process of learning becomes of primary importance rather than content. This would enable teachers to construct lessons so that the experiences of

the pupil and the real world form a vital part of learning. The approach recommended by the syllabus would then be better achieved; however the nature of the syllabus objectives and its political basis, the adoption of a 'scientific approach' of positive economics, the approved textbooks and Senior Certificate examination work in favour of the product-based approach.

Economics that is reduced to a set of facts to be memorised could result in achievements such as acceptable Senior Certificate results, but this product-based approach will result in pupils lacking insight and an understanding of concepts. Understanding of concepts and their application to economic events is essential to economics education, and is likely to be better achieved in a process approach, where teaching is based on interaction and discovery and where real issues are debated.

The aim of economic education is to improve our understanding of the world in which we live. Without this understanding we are frequently confused and unable to identify, analyse and interpret successfully the economic aspects inherent in so much about us. The goal reflects our conviction that comprehension of the economic realities of one's world enhances self-confidence and self-esteem. Accordingly both intellectual and emotional barriers are lowered for the making of rational individual decisions, in the light of one's values, in both personal and social matters. Economics also provides frameworks and tools for rational individual discrimination among social alternatives, in the light of one's values. Hopefully, better social decisions will result (Horton, R.V. and Weidenaar, D.J. quoted by Henderson, 1989:37).⁴

However, Ulf Lundgren observes that education is increasingly being linked with working life and as result the labour market (1983:143-154). Businessmen and industrialists are demanding a particular end-product that is able to meet their job requirements. This trend is fairly common in societies that have an increasing middle class which wishes to perpetuate itself and so creates its own social demands. The product-based approach generally appears to society to be a ready and efficient means to this end. The importance attached by the public to Senior Certificate results and the attitudes of businessmen and industrialists make it more difficult for teachers to change their approach.

School economics education also suffers from the low status accorded it. This influence is not only exercised via educational bodies but also by higher academic institutions as well as industry and commerce. Goodson indicates that not only is status attached to certain subjects but also to those intended to study them (1983:33).

Subjects such as mathematics and science are seen as high status subjects because of the high level of technology utilised in society. The scientific approach adopted in these and related fields is extended to other lower status subjects such as art, history, music, etc. and reduces them to mere packages of factual information. Economics is often not

included in a school's curriculum, and where offered often taken by many poor academic achievers, mainly due to the fact that it has low status in relation to mathematics and science. This is further reason why many schools present economics as a package of factual information in order to achieve acceptable results.

Dalton, who studied the issues of curriculum innovation in selected schools in the United Kingdom concludes that "... the positive reactions of pupils and the greater rewards for the teaching through pupil involvement ..." is helpful in bringing about change (1988:153). For example, pupils in English do not write essays according to prescribed criteria determined from above but set their own criteria for evaluating the writing of their classmates (1988:151). It follows that subject material is visualised as part of a resource bank, and that an integrated approach to the curriculum is advocated to enhance the individual experiences of the participants. Teachers shift their commitment from a subject to the bearing a subject has on ideas (Dalton, 1988:156). Economics pupils could be taught to utilise concepts learnt to evaluate solutions proposed to solve the current economic issues in society rather than merely to achieve acceptable examination results. However, the use of these concepts should accurately reflect internationally practised economics teaching.

Proper understanding of economics philosophy by syllabus planners and teachers will also help ensure that classroom economics reflects this philosophy. Although economists offer divergent solutions to economic problems there are internationally accepted approaches and tools of analysis.

In the following chapter the special case of SA economics education in schools will be considered against the broader international understanding of what constitutes a philosophy of economics education.

Notes

1. Economics was included in the list of subjects for differentiated university admission by the Joint Matriculation Board (JMB) in 1972 (JMB, 11 and 12 January, 1972:3) and the first examination for economics in Standard Ten written in 1976 (JMB, 9 and 10 January, 1973:3).
2. The Standard and Higher Grade CED papers analysed include all the final examinations from 1985 to 1990. The following HOR papers were obtained and analysed: Standard Grade (finals) of 1987 to 1990; Standard Grade (supplementary) of 1986 to 1989; Higher Grade (finals) of 1985, 1988 to 1990; Higher Grade (supplementary) of 1987, 1989, 1990. See Appendices 12, 13, 14 and 15 for an example of each paper.
3. State schools (and not Model C, semi-privatised schools) have been allocated budgets by the state with which to cover the costs of a number of school expenses and 'free' textbooks to pupils. These funds are limited. The approved textbook which is understood to be the most suitable for the Senior Certificate examination is the book most likely to be purchased.
4. Horton, R.V. and Weidenaar, D.J. (1975) Where economic education? *Journal of Economic Education*, vol 7, no. 1, 40-4.

CHAPTER TWO

THE PHILOSOPHY OF ECONOMICS EDUCATION

When economics is taught at school and post school level, it is a unique perspective and a certain way of thinking which is being conveyed (Jeffreys, 1989:11). Brian Holley writes

... it seems to me that economics is unique, set apart from other disciplines ... it can be regarded as a sort of society, a sub-culture ... developing its own values, beliefs and assumptions. ... By definition, no other discipline is directly and mainly concerned to investigate economic phenomena in the same way that economists do (Whitehead, 1974:88-89).

Economics embodies a particular field of knowledge and economists adopt their own peculiar approach in dealing with this information and the interpretation of economic phenomena, actions and occurrences (Jeffreys, 1989:19-22). Since Adam Smith wrote *The wealth of nations* in 1776, considerable changes have occurred. However, Heilbroner's comment " ... he who enlists man's mind wields a power even greater than the sword or sceptre, these men shaped and swayed the world ..." (1972:11), is pertinent when considering the tremendous impact of the writings of men such as Smith, Ricardo, Marx, Malthus, Mills, Keynes, Marshall, and others on economics teaching.

In this chapter a perspective of the 'positive economics' teaching of today, in the light of historical evidence and developments, will be given. Katouzian writes that " ... Classical political economy marked the arrival of a new era in the philosophy and method of economic discovery ..." (1980:20), and so for reference purposes it forms a convenient historical starting point. The discussion commences with the nature of the field of study of economics and some of the basic method which is widely adopted. Economics methodology is of relevance in that it is not merely a form of procedure adopted in economics but gives insight into the philosophy of this field of knowledge. Blaug writes that

... 'the methodology of economics' denotes an investigation of the concepts, theories and basic principles of reasoning of a subject ... (1980:xi).

A perspective will be given of twentieth century economics, and an examination of what is currently conveyed by economics texts and teaching and the possible effects this has on students.

Views on the nature of economics and its methodology

It is difficult to communicate economic experiences in a decisive empirical manner through language and so economics adopts a deductive rather than inductive approach whereby theories are evolved and used to explain reality. Economic explanations usually start with a paradigm which has its own set of implicit assumptions. A necessary first step in the knowledge of reality is the development of a conceptual core of assumptions that are used to guide research. "The core must be a set of concepts defining a perspective that in combination generate, as a matter of logic, statements that will in turn function as testable propositions" (Jeffreys, 1989:13). An essential part of determining the nature of a form of knowledge is to determine the assumptions that define its core and thus its key concepts. The core assumptions, which are regarded as deterministic truths of logic, then need to be changed into hypotheses that are utilised to explain tangible economic events. Koutsoyiannis writes that

... models do not describe the true economic world since by their nature they are constructed as abstractions from the 'truth'. However, abstraction does not imply unrealism, but is a simplification of reality. It is the beginning of understanding the great complexity of the real economic world (1975:3).

The highly deductive nature of the core, and the nature of the methodology of economics, therefore, makes it difficult to refute individual economic propositions or entire theories. This is in itself important as it increases the value of economics theory in interpreting reality as destruction of the model would make its interpretative powers meaningless. Keynes has emphasised the importance of the model as an abstract form of logic in the approach to economics.

It seems to me that economics is a branch of logic, a way of thinking ... one can make some quite worthwhile progress merely by using axioms and maxims. But one cannot get very far except by devising new and improved models. ... But it is the essence of the model that one does not fill in the real values for the variable functions. To do so would make it useless as a model. For as soon as this is done, the model loses its generality and its value as a mode of thought (Keynes, 1973, vol xiv, 296).

Koutsoyiannis, furthermore, sees the whole 'role of theory' as geared towards the construction of models.

Economic theory aims at the construction of models which describe the economic behaviour of individual units (consumers, firms, government agencies) and their interactions which create the economic system of the region, a country or the world as a whole (1975:3).

For instance, the firm in a 'perfect market model' is not expected to lower prices as this will result in the rest of the market immediately following suit and will, therefore, not give the firm any competitive advantage. A 'monopoly model' will, however, be expected to show a very different set of interactions. The nature of the economic system within the

'perfect market model' will differ vastly from the 'monopoly model', and each economy will reflect the aggregate of their market activities.

Modern neo-classical economics clearly includes the adoption of models which are used to describe reality and embodied in definitions of the subject. In its historical perspective, "The progress of economic ideas was accompanied by a gradual evolution in the method of economic analysis, broadly speaking, from a partial, concrete and casually empirical, to a general, abstract and deductive approach" (Katouzian, 1980:18). The mercantilists, for instance, did not generalise from facts observed directly but with incomplete and piecemeal discussions based on their observations; and "... they did not normally indulge in universal generalisations in the sense of proposing 'laws' of economic 'behaviour'" (Katouzian, 1980:18).

It is Ricardo who is regarded as "... the founder of 'pure economic theory' as an almost autonomous exercise in pure logic" (Katouzian, 1980:24). Katouzian states furthermore that "... the Ricardian method was logical, deductive and *a priori* and it dominated both classical and neo-classical theory since its inception" (1980:43).

Jeffreys writes that

... in economics we have a logic where deductions are partly determined by formal *priori* statements concerning the nature of rational choice (1989:19).

It seems that understanding of this logic is necessary for economic literacy. This logic, which is based on the laws of rationality itself, produces a logic of choice; and certain key concepts are necessary to enable this logic to function. To understand economics and its logic it is a pre-requisite to fully understand its language.

It is helpful in the understanding of the 'positive economics' of the era since World War II to develop a definition of the field. According to Lipsey economics concerns

1. the ways in which society uses its resources and distributes its output among individuals and groups in society; 2. the ways in which production and distribution change over time; and 3. the efficiencies and inefficiencies of economic systems (1975:59).

Whilst Alfred Marshall defined economics as

a study that examines the part of individual and social activity which is closely connected with the attainment and with the use of material requisites of well-being ... on the one side the study of wealth; on the more important, a part of the study of man (Swanepoel, 1983:3).

Professor L.C. Robbins states succinctly that

economics is a science which studies human behaviour as a relationship between ends and scarce means which have alternative uses (Swanepoel, 1983:3).

This definition of Robbins indicates the scientific approach to the subject and the acceptance today of its laws which are not objective or exact in the inductive sense. In Physical Science a law, such as the law of gravity, can be measured and information collected inductively. Economic laws, such as the 'law of demand' or the 'law of diminishing returns', are the generalisations which are used in the interpretation of economic reality. Harvey emphasises that

... It is not the facts of a subject but how it is studied that makes it a science (1974:31).

Because it studies human behaviour economics is today regarded as a social science with the specific purpose of studying the process of choice that is exercised in a situation of rational man satisfying his limitless wants by means of scarce resources. It implies that the rational consumer will maximise marginal utility, and that producers or suppliers will attempt to maximise profits in this process.

Blaug sums up the position of economics as a science by describing its differences compared to other fields of knowledge.

... economics is also a peculiar science, set apart from, say, physics because it studies human actions and therefore invokes the reasons and motives of human agents as the 'cause of things' and from, say, sociology and political science because it manages somehow to provide rigorous, deductive theories of human action that are almost wholly lacking in these other behavioural sciences (1980:xi-xii).

Modern Economics examined

Samuelson points out that economics split into two branches a century ago. The one branch led through neo-classical economics and Keynesian economics to the present-day era of post-Keynesianism whilst the other branch stemmed from Marx's *Das Kapital* (1867, 1885, 1894) as well as his rediscovered earlier writings in economics (1973:843). However, modern capitalism as described in the previous section is concerned mainly with neo-classical theory and the scientific approach.

Heilbroner however, writes that in modern economics

... It is great issues rather than great names that characterise our times. A few economists have become widely known - for example John Kenneth Galbraith, or Nobel-prize-winning Paul Samuelson. But in the main the problems of modern capitalism must be studied as problems and cannot be wrapped up in the thought of a single personage (1972:282).

Joan Robinson points out however, that economists are in no way in agreement with regard to economic terms and thought. She speaks in particular about her disputes with Professors Solow and Samuelson (1973:122). She is distressed by the relapse ... "into the slogans of laissez-faire - what is profitable promotes growth; what is most profitable is best" (1973:128). She argues that for instance, full employment is not enough but that economists must concern themselves with what full employment is. Joan Robinson believes that

... There is great opportunity for a new generation of economists to make an important, an indispensable contribution to the critical questions to which enlightened opinion is everywhere demanding an answer (1973:128).

There is a tension within the different schools of modern economics although there is commonality in the general approach and much of the theory.

The importance of the market as a key capitalist economic institution has, nevertheless, been unquestioned since Adam Smith. The market system and the process through which it allocates resources plays a central role in the writings of classical economists; but they tend to concentrate on long term growth whilst the neo-classical scholars concentrate more on short term occurrences. Dowd, commenting on the practical implications of the market, says that,

Smith did not believe that individuals left to themselves with little or no social control would bring about social well-being because they would seek it. He believed, rather, that impersonal forces in free markets - in a word, competition - would transform the self-seeking of individuals into the welfare of society (1962:21).

This is still the viewpoint of many modern capitalist scholars and has been given a significant boost by the advent of Thatcherism and Reaganomics.

Smith saw in the most complicated processes of industry and trade the same inherent order which ruled the simplest acts of barter. In the different branches of home trade, in foreign commerce, in the relation of industry and agriculture the principle held good that order would arise spontaneously and that interference would only result in a diminution of benefit (Roll, 1954:148).

The classical scholars, Smith included, emphasised supply. However, the classical concept of 'natural' and 'market' prices is today replaced by a single price which is determined by demand and supply. Alfred Marshall, a British economist, was the first to examine the market with supply and demand combined as an integral part of the model and is recorded as having said

... that to argue about whether supply or demand were the determining factors in price formation, was the same as an argument about which of the two blades of a pair of scissors, the upper or the lower, was responsible for the cut (Van den Bogaerde, 1967:11).

Marshall is regarded in many circles as the father of micro-economics, which forms the basis of market theory and its models in modern economics courses. Barber comments on the historical significance of the 'laboratory-like' and 'scientific' approach to market analysis of today (1967:166). He states that in his opinion in

.... the world of neo-classicism, economics became more universal and more scientific in its claims - and less dismal in its conclusions (1967:167).

The twentieth century has witnessed tremendous growth in the accumulation of capital and the simultaneous expansion of industry and in particular the appearance of large corporations and internationals. It is a period of capitalist economic success and failure, and has experienced the birth of the first Marxist state and the expected tensions of strongly conflicting ideologies. Capitalism has also been subject to change and the work of John Maynard Keynes has had a major impact on economic thinking in this century. Keynes was witness to the great depression of 1929 to 1933 and it was during this time that he formulated his 'General Theory of employment, interest and money.'

The neo-classical scholars had mostly shown concern with respect to specific markets and the forces influencing them but Keynes was concerned with ironing out the fluctuations within the business cycle, and was therefore, concerned with short term stability as well as its effects on long term growth. In this regard the concerns of Marx and Keynes overlapped but the former was concerned with the demise of capitalism whilst the latter brought fresh visions of hope in the ability of the capitalist economy to provide stability in labour and other markets and thus reducing unemployment and other forms of instability such as inflation (Barber, 1967:227-230).

Perhaps the most noteworthy longstanding affect of the work of Keynes has been to remove the pre-requisite of the classical scholars that the state must not involve itself in the economy. Although many modern economists often argue for reduction in state involvement few would agree entirely with the laissez-faire approach of Adam Smith. The modern state is expected to be concerned about matters such as monetary policy, inflation, unemployment, trade unions and the rights and welfare of the individual worker as well as his access to opportunities in a meritocratic society where access to education leads to greater opportunity to participate in the benefits of capitalist wealth.

Smith drew a distinction between the economic classes so as to distinguish between those who produce wealth and those who consume it. He was, in particular, concerned with identifying the social class that produced and increased the wealth of society (Caravan, 1983:14-15). Division of labour was used to describe how economic growth took place. Firstly, he used it to describe how production was divided up into a number of different tasks and secondly, he used it to distinguish between useful and not useful labour.

"The full benefits of the progressive sub-division of tasks were available, however, only to a society in which production for exchange could take place" (Barber, 1967:27). He believed that the welfare of the nation was best served by allowing the individual to seek self-interest and that this must occur in the absence of social controls. Therefore, private property in the means of production is an essential feature of the market economy. Although there were continued expectations by some of the doom of capitalism the era after the second World War saw considerable economic growth.

With the demonstration that capitalism could indeed grow, a new spirit affected the economics profession generally. It was as if the professordom had rediscovered Adam Smith, with his serene assumption that growth was the normal course for a market economy. In the heady atmosphere of the postwar era once again it seemed as if growth was the natural tendency of the system. After all, as Smith had pointed out, was not the accumulation of capital the very driving force of the system? And did not capital serve to increase productivity? And was not increasing productivity, when all was said and done, the cause of growth? (Heilbroner, 1972:287).

Although there have been problems of inflation, trade imbalances, unemployment and other crises during the late 1960s and the 1970s the supply side economics of Thatcher and Reagan have once again brought fresh optimism to capitalists. Since 1982 there have been three main parts of 'Thatcherism'. They include the curbing of trade union powers, privatisation and deregulation, the reduction and reform of taxes and social security benefits (Matthews and Minford, 1987:65). 'Reaganomics' involved mainly a reduction of wasteful government activity, lower taxes and less interference with the market-based economy. This was aimed at bringing about greater efficiency within the economy, higher growth patterns, and lower inflation (Blanchard, 1983:15). In short, a return to a greater degree of market freedom and a renewed faith in the supply-based economics of Smith.

Many critics will argue that despite ground gained in terms of reduction in inflation and even some reduction in unemployment the period of growth evident in both the United States and Britain has only led to greater accumulation of wealth in the hands of the capitalist class. They argue therefore, that the rich have become richer and the poor poorer. Others in turn will point out that the privatisation of industry in Britain has led to the majority of Britons owning shares in private concerns and, therefore, identifying with capitalist ideology. Still others, such as Schultz, would remind us of the role of education in providing workers with knowledge which despite what Marxists tell us leads to accumulation of capital, in this case knowledge in the hands of the individual - the so called 'Human Capital Theory'(Karabel and Halsey, 1977:12-15). This in turn assists him in his advance in an highly developed industrial and meritocratic market-based society.

In most western nations, and particularly the United Kingdom and the United States of America, there has been a return to a form of capitalism in which market forces are largely left to determine the course of events. However, the increased confidence in Adam Smith has led to a smaller role by government but not a withdrawal from its role in national and international economics. Certain sectors of most economies are subject to state regulation. For instance, the licensing of firms is itself a form of interference; and the buying and selling of national currencies by Central Banks is not based on the laissez-faire teaching of Smith.

However, in order to more fully understand modern economics it is pertinent to examine what is taught by universities and other post-school institutions.

What they teach

Much of post-Keynesian economics since World War II is generally neo-classical in content and much of its theory but the approach is that of the methodology of positive economics (Katouzian, 1980:45). The key difference with pre-war neo-classical economics being that research methodology now began with hypotheses (and not *a priori* statements) which are subjected to empirical tests. There is division as to whether empirical testing should verify or merely try to falsify these hypotheses. Falsification is preferable in the sense that hypotheses that cannot be disproved are allowed to stand despite the fact that they have not been empirically proved to be correct. It is extremely difficult to verify many economics laws which are an essential part of accepted neo-classical theory.

In positive economics teaching assumptions about the market are taken as statement of fact and then tested empirically to determine validity. There are no normative value statements about what ought to be done but rather what is likely to happen on the market as result of particular conditions that have changed, or actions by participants. Models are developed with given conditions (assumptions) and then used to describe real market situations. If the model fails to adequately describe market occurrences then the assumptions, the deterministic truths of logic referred to previously, are altered accordingly or the model is rejected as a means of predictive economic logic. The models evolved and the 'factual' basis of positive economics is the oft regarded key to the solution of the many economic issues of the day.

It appears as if the bulk of what is taught in many post-school academic institutions with regard to economics is generally supportive, if not entirely dominated by positive economics and its neo-classical pool of theory (Katouzian, 1980:45). There is a new mood of 'free enterprise' and privatisation of state industry is taking place in a number of countries. Certainly, it would be foolish to deny that Marxism is entirely excluded and that it has no supporters amongst both academics and students, but nevertheless

there is support for the contention of the capitalist bias in economics teaching. If the popular economic texts used are closely examined one discovers little of a Marxist and socialist nature. Indeed, many of the authors are well known for their capitalist leanings. The texts of Samuelson, Lipsey, Steiner, Heilbroner, Solow, Thurow, Miller and others are well known and used by many students in the English-speaking world and beyond. If not prescribed directly to students, these texts are available in abundance in libraries and referred to liberally by lecturers.

Samuelson acknowledges the neglect of Marxism in his earlier texts and the sort of attitude that had prevailed by writing that, "It is a scandal that, until recently, even majors in economics were taught nothing of Karl Marx except that he was an unsound fellow. ... John Maynard Keynes thought Marx sterile and dull. In this edition I have tried to treat Karl Marx as neither God nor Devil - but as a secular scholar whom half the world's population deem important" (1973:ix). In the light of this it is, nevertheless, salutary to note that in this large and well-used economics book an insignificant number of pages is devoted to Marxist thought despite the former and latter statements. Samuelson underlines the importance of his book as a point of reference when he states that..."Several who are now prominent economists have written to say that they used parts of it in their final review for their Ph.D oral exams" (1973:viii).

Lipsey reinforces much of Samuelson's viewpoint when he writes that, "Even the best American text books often manage to convey the idea that economic theory justifies the private-enterprise, market economies found in most western countries" (1975:xiv). He stresses furthermore their dependence on their own particular beliefs and the theories to which they hold in that, "Many Economists are so committed to particular positions that they will never be convinced by new evidence ..." (1975:16). These economists will not accept empirical evidence that purports to contradict well-established economic laws which are believed to be beyond contradiction if all conditions are appropriately applied. Heilbroner has written a whole series of extremely readable economics books, which are found in university and other libraries, and so it is useful to gain some insight into his particular views. He also gives some idea as to what he perceives capitalism to be, and it is worthwhile to note that he views it as more than a mere philosophy for academics. The market is seen as an extremely important institution.

Capitalism cannot be considered merely as an 'economic system'. It is a complex of institutions by which a general order is established and preserved. Like all societies with the exception of primitive, prestate societies, capitalism must be depicted as a regime - a social order whose *raison d'etre* is the establishment and preservation of a general form of power and privilege. ... Capitalism also must utilise the binding forces of social hierarchy; and its most visible order-bestowing mechanism, the market, must therefore be viewed not only as a horizontal allocation mechanism but also as a vertical integrative one (Heilbroner, 1987:116).

Heilbroner draws attention to the nature of the subject, its unique role within the social sciences and peculiar methodology, and says that, "economics purports to give its students an understanding of its research object, not merely a technical ability to dissect it. This it cannot do unless the social - that, regime-like-character of the field of study is kept in mind." He continues to stress its total effect on the thinking and approach of its students when he states that "... economics is a sincerely held and deeply believed depiction of what capitalism 'really' is ... economics is a belief system, a construction of reality, that emphasises some aspects of its field of observation and ignores others" (1987:117). There should be no doubt in the reader's mind that Heilbroner is an adherent of modern capitalist ideology and that he is an ardent supporter of the market as a vital economic institution. Surely, these ideas and beliefs are carried across in no small measure to students who utilise his books. It is, therefore, hardly likely that he will devote much of his energy in writing with any fervour about Marxism. Schumacher (1973) echoes the same feelings as those of Heilbroner and is on record as seeing economics as virtually a faith and describes it as "... an especially value-laden discipline that leads students into the 'religion of capitalism'." Samuelson, Lipsey, Heilbroner and Schumacher share common feelings about the subject which in its turn has a powerful effect on the 'belief' of the students which have used their texts as is recorded in some of the comment on research in this field (Jackstadt, 1985:49).

In view of the influence of textbook writers research was undertaken by John Bungum into the background of the writers whom he believed were most influential at undergraduate level. He particularly examined the educational background of those who published hardcover books on international economics during the period 1945 to 1974. He also examined the relatively low esteem of the writers of economics textbooks compared to writers of original work and those who write articles for leading journals (1980:51-53).

Whilst not conclusive, the study by Bungum does underline the important role played by a relatively small number of institutions in the training of Economics textbook writers. In addition it should be noted that this group of graduates from largely capitalist institutions dominates the textbook market and, therefore, the dissemination of capitalist ideology.

Bungum finds that of his sample of 87 texts written by 65 different authors during this period there were 43 single-edition texts, 44 single-edition authors, 44 multiple-edition

texts, and 24 multiple-edition authors. All but three of the single-edition texts had a single author each and sole authorship dominated 66 percent of the total of 44. Approximately 69 percent of these authors earned their undergraduate degrees at US colleges and universities and 75 percent attended institutions with above average enrolment. Approximately 80 percent of these authors received their graduate training at American universities whilst all but one held a doctorate. Most of the US educated writers attended courses that were rated 'extremely attractive' or 'attractive'. 62 percent of the multiple-edition and 35 percent of the single-edition authors attended 'selective' or 'nonrated' institutions. Seven schools accounted for 65 percent of the graduate training of single-edition authors whilst Harvard, Columbia, and Chicago provided the training for 65 percent of multiple-edition authors (1980:52).

The question of values which are imparted in the teaching of economics is sometimes surprising to school teachers themselves as they have assumed that they are teaching the subject in a neutral and unbiased manner. Universities and other post-school institutions have emphasised the neutrality of positive economics which is purported to objectively evaluate economics in a scientific and neutral manner making use of models as described earlier in this paper. Norman Lee refers to the view of Milton Friedman who states that "... economics is independent of any particular ethical position or normative judgement" (Lee, 1974:58). Lee describes a discussion with a secondary school teacher who expressed surprise at the conservative rightward shift in the political views of his pupils. The teacher viewed himself as being politically left of centre and was convinced that his teaching was neutral as he used the positive economics tradition of Lipsey as his approach to the subject. Lee expects this problem to grow as result of concealed value judgements which are being taught to students of economics and some other subjects (1974:57).

Positive economics concentrates on means rather than ends and so attempts to explain the reasons for economic action rather than teach students to critically examine the ends to which the means are directed. However, to avoid the issue is to neglect the evidence that economics as presently taught is not value free. Hutchison claims that value judgements influence content and presentation of economics in these four ways:

- a. ethical or political value judgements, overtly stated or latently implied, regarding objectives or ends of societies;
- b. value judgements or premises involved in choosing the problems that are studied;
- c. value judgements or premises involved in choosing the types of procedure (methods) by which the problems are to be studied;
- d. biased subjectivity in positive empirical statements.(Lee, 1974:58)

Lee comments, furthermore, that only 'latently implied value judgements regarding the ends of society' is not part of positive economics. The other factors listed by Hutchison can continue and even flourish when teachers utilise the popular positive economics in teaching students. In addition, the teacher is largely or completely unaware of the conservative bias which he is creating in his students. For example, some teachers teach 'perfectly competitive markets' "as if it were a welfare ideal enshrined in the body of economic theory itself" (1974:59). Bias also appears in the objectives chosen for the analysis of economic systems as economic education is preoccupied with 'economic growth', 'optimal resource allocation', and 'economic stability'.

However, the consideration of education for citizenship by economics teachers would not only teach about the means of economic systems and action but also the ends to which the means are directed (1974:60). Students must be enabled to evaluate economics critically without the restrictions imposed by the positive economics school and particularly the large group of textbook writers who hold to this approach to the subject. Teachers must also be careful not to reject the present approach and replace it with, possibly a radical stance, that will have similar effects in the development of bias within students and the inability to critically evaluate. If economics is to overcome some of these problems, then a re-evaluation needs to take place with regard to the training afforded economics teachers, the textbooks that are used, as well as the content of courses.

In an American study of the effects of economics courses on the level of conservatism it was found that the students became more positive in their attitudes towards the American economic system (which is capitalist), business and labour unions (Jackstadt, 1983:39). This confirms the view of George Stigler (Nobel Laureate) that economics influences students' attitudes and values to a large extent and that it makes them conservatives who are capitalists and supporters of 'free enterprise'. Stigler's conservatism means preference for private ownership, that competition checks power and fosters efficiency and progress, as well as preference for decentralised market allocation of resources. Stigler states that ... "It becomes impossible for the trained economist to believe that a small group of selfish capitalists dictates the main outline of the allocation of resources and the determination of output ... he cannot believe that a change in the form of social organisation will eliminate basic economic problems" (1959:528).

Jackstadt indicates in his paper that seven instructors made use of four main texts. Samuelson was used by three, McConnell by two, Peterson and Heyne by one each (Jackstadt, 1983:49). This is further indication of the possible influence of textbooks on the attitudes of students who undertake courses in economics. It is also of value to note that in studies of the American economy by university students in the People's Republic of China a number of American textbooks are used. The textbooks of Samuelson and Milton Friedman are popular reference works and it would be interesting to undertake a study of their influence on the attitudes of these students. The translators of these works show some concern as to their influence as they warn students who use Friedman's book that his comments on the Chinese political and economic system are erroneous and that there is no scientific merit in his quantity theory of money (Teh-wei Hu, 1988:94).

The paper by Jackstadt, Brennan, and Thompson mentions further instances of research into the effects of economics courses on the attitudes of students. Thompson (1973) found that as few as four class periods on international trade changed their attitudes to free trade (1983:39). Riddle (1978) concludes that an introductory course in economics causes students to be more favourable in their attitudes towards labour unions, less favourable in their attitudes towards socialism and social welfare, and more favourably disposed towards economic freedom (1983:39). Luker (1972) also found that conservatism increased in students as result of an introductory course in microeconomics (1983:39). While it may be possible to question the outcome of some of this research the patterns nevertheless confirm that shifts in attitude do occur, and that these attitude changes reflect a favourable disposition towards the economics being taught.

Conclusion

Whilst it appears that economics courses are effective in conveying the essence of capitalist economics and its methods this does not imply that there is unity within the ranks of economists as expressed in the comments by Joan Robinson. Neither can it be assumed that all economists practise what they preach. By its nature economic systems draw research which in itself is subject not only to scientific procedures but the course of political policy. However, unlike most other social sciences, the method by which paradigms are developed and then used to explain reality is widely practiced and is utilised by scholars of divergent opinion. Many, unaware of the benefits, have tried to discard the procedure of falsification. It is a great strength of the economic model that it does not exist in practice and that empirical testing does not lead to the demise of the theory. In the concluding notes to his book Katouzian writes:

Science does not `begin' with, or generalise from `observation', nor does it end with conclusions and predictions derived from entirely abstract and *a priori*

models. On the contrary, scientific discovery is a process whereby the clash of ideas with themselves, and with reality, may result in a greater understanding of ... phenomena. ... the most distinctive feature of a scientific outlook is its rejection of dogmatism ... It follows that a scientific vision dispenses both with intellectual arrogance and with idealistic perfectionism: whatever is 'unscientific' is not false; whatever is 'scientific' is not true. It is only in their gropings that ... the scientist and the mystic alike make any progress towards their ultimate goals. For as soon as they delude themselves to have finally grasped their objectives, they are certain to miss the opportunity altogether (1980:209).

"Although the substance of neo-classical theory remained intact after the War, its purported method - i.e. positive economics - was a radical departure from its past history" (Katouzian, 1980:44). It can be argued, however, that the seeds of positive economics have flourished since the days of David Ricardo. Basic neo-classical theory is alive and well and market-based economies are once again on the increase; as is evidenced more particularly by Thatcherism and the collapse of communism in Eastern Europe. Positive economics, is practised in the teaching at many educational institutions and the research of practising economists, as has been clearly presented in the section 'what they teach'. Even Marxist economists, in China, are forced to study the tools of modern day capitalism to be able to understand the workings of the market economy and the way in which it allocates resources amongst its participants. Other than the radical school, economics teaching and textbooks reflect the general body of accepted content, which is dominantly neo-classical in its content.

Although there are many books on the market, that of Samuelson is widely regarded as the trend-setter of the day, but it has been surpassed by historical events. Much of the basic economics that dominates some textbooks has remained virtually unaltered for forty years and longer (Bell, 1988; Amacher, 1988). Many of these textbooks have been supplemented with additional information and chapters, such as Samuelson's section on Marxism, but there is need for a new 'Samuelson' to set the pace for the years ahead, and to form the basic text in the dissemination of 'positive economics'.

Where economics will travel in the future is not easy to predict, but ... we can expect increasing formalisation and increasingly sophisticated deductive methods in empirical analysis via the agencies of econometrics. ... We can no longer encourage our students to describe passive economic phenomena. Instead, we should wish them to be inside the discipline operating, ... as economists. ... The pedagogic emphasis should be upon discouraging moves that break the natural chain of economic reasoning. The more successful and automatic this becomes, the more the student will be 'inside the discipline' (Jeffreys, 1989:27).

The extent to which the secondary school economics curriculum in Western Cape schools gets pupils to the position of being inside the discipline of economics is examined in the chapters which follow by looking at the aims of the subject as expressed in the core syllabus (1983), the approved school textbooks, and the Senior Certificate examinations. The degree to which pupils are taught neo-classical theory and understanding of positive economics indicates something of the extent to which classroom economics is consistent with the discipline of modern economics.

Teachers in the CED and HOR schools, which form part of the research sample, are presented with objectives that generally aim more at achieving the goals of the policy of CNE than the objectives of economics. These objectives include elements of capitalism and its values but they are seen through the 'eyes' of an apartheid system. The core syllabus (1983) combines the ideas of Afrikaner nationalism with something of the teaching of economics. The approved textbooks are written so as to cover the core syllabus (1983) and are intended to achieve its aims. These textbooks need to be reflected upon in terms of the purpose and influence of the international texts of Lipsey, Samuelson, and the others which were discussed in this chapter. The extent to which the school textbooks distort or are consistent with modern economics teaching is examined. In the same way the Senior Certificate examination indicates the degree to which syllabus aims are achieved and the extent to which this is true to accepted economics teaching.

CHAPTER THREE

THE TEACHER SURVEY

The classroom economics curriculum set within CNE is described in the first chapter while the international philosophy of economics education with which this is to be compared is the focus of the second chapter. The teacher which forms the focus of this survey has been trained in the teachings of neo-classical and positive economics and is placed in a classroom in order to teach school economics. These teachers find that the school, the authorities, and superiors comply with CNE and apartheid policies and many of these people actually believe in this doctrine. The approved texts in the hands of the pupils are written by authors who either hold to this doctrine or comply with it in order to have the respective textbooks approved by the education departments concerned. The propagation of the doctrine of CNE by textbooks and examinations is further carried through the support structures; teachers' centres, study groups, subject advisors (inspectors) and departmental and professional journals.

The teacher must now decide whether to comply with policy in the classroom or teach economics according to convictions developed through own training in the subject and knowing full well that the choice of an independent path would lead to opposition from colleagues, subject head, possibly principal, subject advisor, parents, and most forcibly the pupils in the classroom who are readily able to express opposition on a daily basis by querying departures from the textbook, differences compared to teaching by other teachers and the opinion of parents.

The pressure was further increased in the years of the 'states of emergency' as the threat of detention without trial was a very real deterrent to the classroom teacher who opposed CNE and apartheid through lesson material and the learning process. Nevertheless the teacher has the power to choose between subverting the local curriculum or complying with its demands. However, given the pressures to conform (for confirmation of appointment, promotion and the like) teachers often fear and feel completely disempowered and unable to oppose the powers of the ruling hegemony. For these reasons the research for this dissertation concentrated on a survey amongst the teachers serving in the CED and HOR schools which were subject to CNE and the apartheid policy of the ruling Afrikaner regime as teachers are believed to be essential to the provision of 'missing knowledge' about the secondary school curriculum for economics education.

This 'missing knowledge' obtained through a teacher survey was expected to show that:

- a. CED teachers generally complied with the requirements of the system.
- b. HOR teachers would not comply with CNE doctrine because they were an 'oppressed group' under apartheid.

- c. The Christian aspect of CNE-based economics would be ignored by most teachers and especially those in HOR schools where the Moslem faith was followed. CED teachers were expected to show largely lip-service to these Calvinist protestant Christian teachings.
- d. Teachers would not only comply with the demands of CNE doctrine but teach the textbook, teach for examinations, and rely on rote memorisation and recall of information by pupils i.e. what is referred to as product-based education in this dissertation.
- e. Teachers would largely ignore the formative and vocational aspects of classroom economics through ignorance as these would be considered of no consequence to complying with CNE doctrine.
- f. Teachers would place internationally accepted economics as learnt in their own training a last priority in terms of the curriculum of classroom economics.

The research questionnaire was constructed so as to gather information as to the attitude and practice of teachers mainly with regard to the following three areas of classroom economics:

- a. The main aims of the core syllabus.
- b. Classroom practice and teaching trends in economics.
- c. Opinion pertaining to syllabus content.

The final draft of the questionnaire was tested by a group of economics student teachers at UCT. This pilot test¹ resulted in modification of the wording of some of the questions as well as additional explanations being included.

The main aims of the core syllabus

This section of the questionnaire focussed on the attitude of the teachers to the four general objectives of the core syllabus. This section of the questionnaire was considered extremely important as it reflects the fundamental pillars of CNE doctrine. The third objective also partially reflects the intention of capitalist teaching.

The opinions of teachers in regard to these objectives were considered important as it indicated the extent to which CNE policy was either subverted or applied in the economics classrooms of the respondents. Teachers were asked to evaluate the extent of acceptance of the general objectives and to make any necessary recommendations. They were also asked to indicate which two objectives were the most difficult to implement.

The questions focussed on the four general objectives of the core syllabus in order to determine the extent to which teachers ...

- a. applied a Christian basis to economics education in the classroom.

- b. gave a national character to economics and interpreted the meaning of national character.
- c. promoted an appreciation of the South African economy which the syllabus states as being based on free enterprise. This includes the attitude of teachers towards international capitalist teaching.
- d. The extent to which teachers used economics formatively as well as vocationally.

Classroom practice and teaching trends in economics

In this section of the questionnaire teachers were presented with fourteen statements which were intended to indicate their attitude with regard to classroom practice and trends in economics education. These questions were intended to provide answers pertaining to the detailed (particular) objectives of the syllabus and the extent to which these objectives and the approach detailed in the core syllabus have been implemented in classrooms.

The questions were designed to provide information with regard to three aspects relating to classroom practice:

- a. Teaching aimed at engendering interest in current economic events and the application of theory in the interpretation and analysis thereof (Questions 1-4) which included questions relating to ...
 - (i) the importance that teachers attached to national and world events.
 - (ii) classroom time that teachers spend dealing with economics concepts used in the media.
 - (iii) the application of economics theory taught in classrooms to the economics of the real world i.e. current events.
- b. The purpose of economics teaching and the achievement of particular goals (Questions 5-9) which included questions designed to determine:
 - (i) the importance attached by the teacher to the acquisition of basic concepts.
 - (ii) the importance of pupils being taught how to use statistical data.
 - (iii) attitudes to rote learning and the use of economics theory.
- c. The importance and influence of content, textbooks and examinations (Questions 10 to 14) which included questions related to ...
 - (i) the importance of approved textbooks and other texts in teaching economics.
 - (ii) the content accepted in examinations and the influence of examinations on teaching methods and what is taught in classrooms.
 - (iii) the extent to which there is greater freedom with regard to content taught in Standards Eight and Nine.

Opinion pertaining to syllabus content

The first part of these sections of the questionnaire were intended to determine the approved textbooks used by teachers as well as other texts frequently used by teachers in

preparation of economics lessons. This included questions relating to problems experienced with the textbook as well as the influence of these textbooks on the Senior Certificate examinations.

The main section of this part of the questionnaire asked questions relating to the attitude of teachers to content of the present syllabus and was intended for use when making recommendations for changing the syllabus. Teachers were asked to identify sections of the syllabus they viewed as 'best' and 'worst'. In addition they were asked to make suggestions as to additions to and withdrawal of sections of the syllabus.

Teachers were also asked about their attitudes towards differentiation, whether the Senior Certificate examination affected their teaching in Standards Eight and Nine, and whether they would like compulsory and optional sections in the syllabus.

The research sample

Schools included in the research were those of the Cape Education Department (CED) of the Department of Education and Culture, House of Assembly; and the Department of Education and Culture, House of Representatives (HOR). Two questionnaires were sent to the principals of most schools in anticipation that more than one teacher per school might respond, however in most instances only one teacher per school completed and returned the questionnaire.

The headings and questions asked in the questionnaire serve as the basis of the headings and sub-headings of the descriptions, observations and discussion which follows.

1. Education Department in which you teach:

There were 17 respondents from the Department of Education and Culture, House of Assembly (Cape Education Department) schools, two respondents from private schools, and 17 respondents from the Department of Education and Culture, House of Representatives schools. These respondents represent the sample which is used in the analysis in the remainder of this dissertation.²

CAPE EDUCATION DEPARTMENT

Questionnaires sent to :	12 Schools
Questionnaires received from :	10 Schools
Percentage of schools returning Questionnaires :	83%
Total Number of Completed Questionnaires :	17

The number of schools represented in the final sample represents 92% of the number canvassed. The responses are, therefore, regarded as representative of schools that teach economics in the Western Cape.

Private Schools

Questionnaires were sent to 3 schools and returned by two respondents who both taught at the same school. Only a few Private Schools offer economics and so this data is included with that of the CED.

CAPE EDUCATION DEPARTMENT PLUS PRIVATE SCHOOLS

Questionnaires sent to :	15 Schools
Questionnaires received from :	11 Schools
Percentage of schools returning Questionnaires :	73%
Total Number of Completed Questionnaires :	19

73% return by these schools was considered as giving the sample a reasonable degree of representativeness of these schools on account of the relatively homogeneous nature. The high rate of return is largely due to the small number of schools that offer economics as a subject. Teachers reacted positively to reminders in the form of letters as well as telephone calls. One school returned three completed questionnaires which was particularly valuable in that each of these teachers expressed differing viewpoints.

DEPARTMENT OF EDUCATION AND CULTURE, HOUSE OF REPRESENTATIVES

Questionnaires sent to :	39 Schools
Questionnaires received from :	16 Schools
Percentage of schools returning Questionnaires :	41%
Total Number of Completed Questionnaires :	17

The questionnaires were initially only sent to schools within the immediate Cape Town area but due to the initially poor response the sample size was increased by sending questionnaires to schools in the surrounding urban areas including Stellenboch, Somerset West, Strand, Wellington, Atlantis, Piketberg, Dancerville, Reygerdal, and Louwville. However, after follow-up letters and telephone calls, the Cape Town urban area responses improved considerably and in the final analysis only one questionnaire was received from the surrounding towns i.e. from Wellington.

The HOR responses are as follows after this more rural school (Wellington) is removed from the data:

DEPARTMENT OF EDUCATION AND CULTURE, HOUSE OF REPRESENTATIVES

Questionnaires sent to :	27 Schools
Questionnaires received from :	15 Schools
Percentage of schools returning Questionnaires :	56%
Total Number of Completed Questionnaires :	16

Although the sample would be more representative if the number of responses were increased, a 56% rate of return by schools is believed to be a percentage which would yield valid results.

The schools of the Department of Education and Training (DET) were not included in this research as none of the DET high schools in Cape Town offer economics as a subject.³ For the purposes of this survey all the CED, HOR and Private School questionnaires returned are included in the analysis and interpretation which occurs.

2. Type of School

TABLE OF RESPONSE

	n=19	n=17	N=36
	<i>CED</i>	<i>HOR</i>	<i>TOTAL</i>
Ordinary	84%	100%	92%
Commercial	16%	0%	8%
Other	0%	0%	0%

The above table indicates that 92% of responses were returned by teachers from ordinary high schools. Economics has to compete with a full range of subjects in these schools whilst in the commercial high schools it is a natural option for many pupils. For example, economics is offered as an alternative to physical science in many ordinary high schools but commercial high schools cannot offer such an alternative.

There are no commercial secondary schools under the HOR in the region canvassed and so the commercial schools concerned are those of the CED.

3. Age of Teachers:

TABLE OF RESPONSES

	n=19	n=17	N=36
	<i>CED</i>	<i>HOR</i>	<i>TOTAL</i>
25 Years and Less	11%	24%	17%
26 to 35 Years	47%	65%	56%
36 to 45 Years	37%	12%	25%
46 Years and More	5%	0%	3%

The table shows that most respondents fall in the category '26 to 35 years' which makes up 56% of total respondents. 65% of HOR respondents fall in this category as compared to 47% of the CED respondents.

The table also indicates that a fairly large proportion of CED respondents have considerable teaching experience and fall into the category '36 to 45 years'. A much smaller number of HOR teachers (12%) fall into this category.

A relatively small number of CED respondents (11%) as opposed to almost one-quarter of HOR respondents (24%) were '25 years and less'. In contrast to this only 5% of CED and no HOR respondents fall into the category '46 years and more'.

The large number of teachers who fall into the category '26 to 35 years' indicates that most HOR (65%) and CED (47%) had taught for periods of between approximately three to fifteen years. A much smaller number of respondents had taught for a longer period than this, although the proportion is relatively large for the CED i.e 41% if the last two categories are added together.

The data indicated that the majority of economics teachers had graduated relatively recently and are, therefore, likely to have been affected by the more recent changes in economic philosophy. The impact of inexperience in the teaching corps is most significant in the HOR schools researched and, therefore, although probably relatively up to date with regard to modern economics teaching it would be expected that other problems connected with inexperience would be greater in the HOR schools. In contrast to this the CED schools are advantaged by the greater degree of teaching experience of many of the respondents. However, the fact that many of these teachers graduated a number of years ago would be a disadvantage in terms of recent knowledge unless the individual had made an effort to keep up to date with modern trends in economics.

4. Gender:

TABLE OF RESPONSES

	n=19	n=17	N=36
	<i>CED</i>	<i>HOR</i>	<i>TOTAL</i>
Male	68%	76%	72%
Female	32%	24%	28%

The majority of teachers in the sample were men. Personal observation indicates that the number of male economics teachers is greater than the proportion of total male staff members of many secondary schools and so the above distribution may be accepted as normal. However, the trend seems to be towards a greater number of female teachers as indicated in the next table which compares gender with the age group of the respondents.

TABLE OF RESPONSES

	n=19		n=17		N=36	
	CED		HOR		TOTAL	
	M	F	M	F	M	F
25 Years and Less	0%	11%	12%	12%	6%	11%
26 to 35 Years	32%	16%	53%	12%	42%	14%
36 to 45 Years	37%	0%	12%	0%	25%	0%
46 Years and More	0%	5%	0%	0%	0%	3%

(In the above table M = Male, and F = Female)

The table shows that most of the female teachers in the sample fall into the 25 years and less (11%), and 26 to 35 years (14%) age groups. If these two categories are summed it indicates that 27% of CED and 24% of HOR were women.

5. Academic Qualifications:

TABLE OF RESPONSES

	n=19	n=17	N=36
	CED	HOR	TOTAL
Bachelor's degree	42%	65%	53%
Honours's degree	11%	12%	11%
Master's degree	5%	0%	3%
Doctor's degree	0%	0%	0%
Other (No degree)	42%	24%	33%

The majority of the sample were graduates. The majority of the remainder of the teachers have qualified with a commercial teaching diploma i.e. the four year HDE (Commercial) Technikon course.

The data reveals that HOR teachers who form part of the sample are well qualified to teach economics, and this is likely to have a positive influence on the approach adopted towards school economics as a subject. The lower number of degreed CED economics teachers could be due to the extent to which teachers have left teaching to take up employment outside of the profession. Personal observation over the past ten years appears to verify these trends.

6. Education Qualifications:

TABLE OF RESPONSES

	n=19	n=17	N=36
	CED	HOR	TOTAL
Teacher's Diploma	37%	59%	47%
B. Ed	21%	12%	17%
HDE (Commerce)	42%	29%	36%

This data must be considered together with that on academic qualifications (question 5).

The economics teachers in the schools surveyed are generally speaking particularly well qualified and all have a professional education qualification. This is not the case with many teachers (considering all subjects) if national comparisons are made. Media reports constantly draw attention to the number of under-qualified teachers.

The number of teachers with a B.Ed is slightly greater for CED (21%) than HOR (12%) schools. This is likely to affect classroom teaching in this small number of classrooms as these teachers should have read more widely in educational theory and practice. There were no respondents with qualifications higher than B.Ed.

7. What is your main teaching subject:

TABLE OF RESPONSES

	n=19	n=17	N=36
	CED	HOR	TOTAL
Economics	58%	82%	69%
Accounting	26%	6%	17%
Other	16%	12%	14%

The table shows that a large number of economics teachers in the CED schools teach accounting (26%) as well as other subjects (16%) as their main teaching subject. This correlates with personal observations in this regard and seems to be the norm in most CED schools with regard to the commercial sciences. The practical effect is that few commercial teachers teach one subject only and some only teach one or two economics classes.

The majority of HOR teachers (82%) teach economics as their main teaching subject, although a small number teach accounting (6%), or other subjects (12%) as their main subject.

The category 'other' usually includes subjects such as business economics and typing. However, in some instances it also includes commercial mathematics, mercantile law, mathematics, history and less frequently other subjects. The subjects commercial mathematics and mercantile law being offered only by the Commercial Schools.

The data in the table by and large reflects the norms in the schools of the CED and HOR.

8. What percentage of your time is spent teaching Economics?

TABLE OF RESPONSES

	n=19	n=17	N=36
	CED	HOR	TOTAL
25% or Less	32%	12%	22%
26% to 50%	32%	47%	39%
51% +	37%	41%	39%

This data needs to be considered together with that on the main teaching subject of the teachers participating in this research (question 7). The data in the table indicates that only 37% of CED and 41% of HOR respondents spend more than half of their teaching time with economics classes. This is in stark contrast to the 58% of CED and 82% of HOR teachers (See question 7) who offer economics as their main teaching subject. However a large number of respondents spend 26 to 50% of their time teaching economics i.e. 32% in CED and 47% in HOR schools. The responses to this question can be considered normal as economics is only offered to pupils in Standards Eight, Nine and Ten, whilst most of the other subjects offered by these teachers commence in Standard Six.

9. Complete the table in respect of classes taught.

TABLE OF RESPONSES

		NUMBER	OF	PUPILS
		CED	HOR	TOTAL
STD 8.	Standard Grade	109	304	413
	Higher Grade	166	253	419
STD 9.	Standard Grade	136	262	398
	Higher Grade	140	128	268
STD 10.	Standard Grade	179	78	257
	Higher Grade	137	76	213

The question asked in the questionnaire is based on a table which respondents completed. This included not only the number of pupils taught but also the number of economics classes taught, as well as the language of instruction. The manner in which the data was completed was such that it was not possible to utilise the latter two types of responses properly and so only the data on the number of pupils taught is included in the above table.

The CED responses indicate a relatively small but consistent number of pupils taught by respondents across the standards. The data indicates a trend towards Standard Grade by the time Standard Ten is reached. The table shows a greater number of Higher Grade (166) than Standard Grade (109) candidates in Standard Eight but in Standard Ten the situation is almost reversed i.e. 137 Higher Grade and 179 Standard Grade pupils.

However, the HOR figures indicate considerable differences in pupil numbers in the three standards. There appears to be more consideration about choice of grade in Standard Eight than in CED schools i.e. 304 Standard Grade and 253 Higher Grade pupils. The small pupil numbers taught by HOR respondents in Standard Ten i.e. 78 Standard Grade and 76 Higher Grade pupils respectively, is no doubt due in some measure to the relatively high rate at which pupils leave school prior to completing Standard Ten in many HOR schools. The drop in the number of pupils as higher standards are reached is seen in the extract of figures from South African Central Statistics (1990:5.18) as indicated in the table which follows.

TABLE: "COLOURED" PUBLIC SECONDARY SCHOOL ENROLMENT

	STD 8	STD 9	STD 10
1987	43169	31602	18845
1988	46003	33954	21910
1989	46362	35509	24073

Conclusion

The analysis of the information with regard to the 'general and personal' information about respondents does not indicate any abnormality of the research sample. The distribution of teachers according to age, gender, qualifications, subjects taught, and time spent teaching economics, therefore, validates the sample for both CED and HOR schools.

The chapters which follow describe aspects of the curriculum. The survey data is analysed and used to support discussion. These chapters deal with issues such as economics and the Christian ethic, economics and nationalism, economics and capitalism, the vocational and formative value of economics, classroom practice and the detailed objectives of economics education, as well as attitudes towards syllabus content. The final chapter examines questions relating to the remaking of the economics curriculum.

Notes

1. The pilot test resulted in the following changes being made to the questionnaire:
 - a. Statements were added as to the purpose of the data requested.
 - b. References were added where questions related to responses earlier in the questionnaire.
 - c. Additional space was added for written comments.
 - d. The explanations relating to "best" and "worst" in Section D were reworded.
2. For the purposes of analysis of the general and personal information, as well as the interpretation and analysis of the responses to the questionnaire, the private school included in the responses is added to the CED data as this school follows the CED syllabus and writes the CED Senior Certificate examination.
3. These Western Cape DET schools offer business economics to their pupils. This is evidence to the view that business economics offers a more practical and vocational approach than economics.

CHAPTER FOUR

ECONOMICS AND CHRISTIANITY

In keeping with the ideology of Christian National education the teaching of economics in schools is closely linked to the Christian religion. The first general objective of the 1983 core syllabus states:

The teaching of economics must have a Christian character, i.e. the subject matter, handbooks, the presentation of the teacher and the class atmosphere must be in accordance with the Christian way of life (1983:1).

The main purpose of this objective, it must be assumed, is to ensure that both the content and the teaching approach to economics is Christian. Successful implementation of this objective by the teacher requires a Christian approach to economics, and the use of source material, textbooks which promote this approach.

The articles of FAK document (1948) and CNE policy make it clear that it is a peculiar, Calvinist protestant Christian teaching which is espoused by the objective. The objective has not been consistently implemented by the textbook writers and Senior Certificate examiners of economics, however where Christian doctrine clashes with economics doctrine, the economics doctrine is given preference by writers and examiners.

The FAK document which largely inspired the concept of Christian National education (CNE), espouses a viewpoint which is consistent with the creeds of the three main Afrikaans churches. Article one of the FAK document (See Appendix 5) states: "The Christian basis of this life and world view is grounded on the Holy Scriptures and expressed in the Creeds of our three Afrikaans Churches." This clarifies the frame of reference of the syllabus developers but it complicates the teacher's position in fulfilling the requirements of general objective one. It is important for the teacher to weigh up whether the objective is fulfilled in terms of present policy or in terms of a broader Christian teaching or whether a Christian approach is possible when generally accepted economics is taught.

North¹, a proponent of a fundamentalist Christian approach to economics education in the U.S.A., is particularly concerned that the whole essence of economics theory and teaching be taught and interpreted in terms of biblical Christian truth. For example, he writes that,

... demand curves would continue to slope downward and to the right for Christian economists. But economic analysis will be applied to a different series of questions, and practical recommendations that flow from economic analysis will be different (1973:ix).

The possibility of a normative approach is possible as he disagrees with the neutrality of the scientific approach adopted in the positive economics of today (1973:ix). The FAK document similarly states in article six that: "We believe, however, that the spirit and direction in which all subjects must be taught must coincide with the Christian and National life- and world-view, i.e., that every subject must be taught in the light of the Word of God."

This includes economics although the subject is not mentioned specifically in the FAK document as it was not a school subject in 1948. Experience has shown that a product-based approach, which requires acceptance of given facts and rote memorisation of content to be reproduced in examinations, is mainly adopted in the economics curriculum in the secondary school under CNE and not a normative approach. Implementation of the normative principle espoused by North could increase the possibility of adopting a process approach to the teaching of economics.

Christian economics depends on the Bible for the basis of belief and teaching. The attitude towards the nature of the individual person and more specifically the child is the basic starting point. The FAK policy document states in article 4: "We believe that through the Fall, sin has penetrated by means of heredity to later generations and that the child as the object of teaching is therefore a sinful and not a sinless being."

In the light of this Ashley writes that

... Christian National Educators have a view of the world that relies heavily on Biblical authority for its justification. The concepts of an omnipotent God, a fallen state of human nature and reconciliation with God made possible through Jesus Christ are central. A Christian education therefore is necessary to ensure the proper development of the young child, particularly in view of intrinsic human weakness and temptation to sin (1989:9).

North similarly points to the fall as the starting point of economics and the introduction of scarcity into the world. The fact that God has cursed the earth as a result of Adam's fall into sin is where he believes economic analysis begins (1984:vii-viii).

Biblical reference is essential as this is the final authority for Christians who regard the scriptures as the basis of all truth; and particularly the issue of creation and the nature of man which is the foundation of this biblical teaching and doctrine. From both a CNE and an orthodox Calvinist perspective it is then important to view the economics texts used and the teaching in terms of these principles in order to determine whether the objective of Christian economics is achieved to any major extent.

However the syllabus objective has its origin in article six of the FAK document which deals specifically with school subjects and states that a Christian and national life- and

world-view is expected. From a CNE perspective this objective should be viewed together with the second objective of the core syllabus which states that the "teaching of economics must have a national character" (1983:1). This is where major differences between perspectives of CNE and other approaches to a Christian-based economics occur. Although both acknowledge the sinful nature of man and the curse as the result of man's fall CNE adds a separateness which is peculiar not only to the religion of the Afrikaner but also his cultural heritage. Article three of the FAK policy document states "... that the child shall be led properly and with pride in his spiritual-cultural heritage into the spiritual-cultural possession of the nation." Although the Christian and national elements of CNE are really inseparable, the national element of CNE is dealt with specifically in the discussion on general objective two in the following chapter.

In terms of CNE policy separate schools are essential (Article Eight of FAK document) in achieving the objectives of the policy. The inclusion of a Christian and national life- and world-view for other groups is also dealt with and regarded as appropriate. The inclusion of these objectives for HOR schools can also be explained in terms of articles 14 and 15 which spell out the role of the Afrikaner in Christianising the "Coloured and African people" (Rose and Tunmer, 1975).

The National Education Policy Act of 1967 is the legal instrument of this policy for whites as it also provides that education should have a 'Christian and broad national character'. This position is again reaffirmed in the response of the government to the HSRC (De Lange) report (Buckland, 1982:169-170). In his announcement of new school models for schools falling under the Department of Education and Culture, House of Assembly, from 1991, the Minister, Piet Clase again stressed emphatically that the Christian basis of education in these schools will continue (Clase, P., 1990). This statement and the relevant document issued reaffirming this policy in particular for the CED schools which form part of the sample used for the research questionnaire.²

In the analysis which follows an attempt is made to determine the extent to which the objective of the "teaching of economics having a Christian character" is fulfilled in the present economics curriculum. The practicality of the adoption of an objective calling for a Christian basis to the economics curriculum in a society in which other religions are also practised and in which not all Christians are Calvinist is questionable.

The textbooks³

Swanepoel et al (1983:1) state in their introduction that, "Since the Fall of Adam, man has had to exert himself in order to survive." The biblical account of creation is seen as the truth and leads to the discarding of much of the thinking with regard to the development of man and, therefore, evolution theories. This statement also links the idea of man struggling to survive with that of a sinful fallen world. If Adam had not fallen then the problem of `satisfying man's limitless wants with scarce means would not exist as God provided all that man needed in the Garden of Eden. The concept of work as being arduous only came with man being thrown out of the garden.

... Cursed is the ground because of you; through painful toil you will eat of it all the days of your life. It will produce thorns and thistles for you, and you will eat the plants of the field. By the sweat of your brow you will eat your food until you return to the ground, since from it you were taken; for dust you are and to dust you will return (Genesis 3:17b-19).

This is, amongst other things, essentially the basis of Calvinist economics as it results in scarcity and the need for economic action by man in resolving the problem. The fall of Adam is central to CNE and to all orthodox Calvinist Christian teaching.

Levin and Wait (1984) also base the concept of historical time on what can be deduced from biblical dating. Reference is made to the stages of economic history in terms of the periods before and after Christ. Time scales relevant to the theory of evolution are not mentioned. This is consistent with a literalist biblical Christian attitude towards the theory. Swanepoel et al (1983) takes the same stance in reference to Adam (the father of mankind).

Swanepoel writes ... "It is in our and South Africa's interests to make responsible decisions continually and to give account of our stewardship" (1983:2). In line with Calvinist teaching it can be deduced that account must be given by each person to God in respect of the talents, skills and resources which he has given us to use to his honour and glory. Abundant resources are a sign of God's blessing on his people and trials and hardship through drought a period of testing. The idea of man being rewarded through thrift and hard work is an integral part of Calvinism. The manner in which this conflicts with the profit motive and self-gain as found in `free enterprise' economies, and the problems that originate from much of the monopoly capitalism which is evident in the South African economy is a source of conflict. This raises a conflict with aspects of general objective three (which prescribes capitalism) of the syllabus and more particularly with the concept of biblical authority.

The issue of stewardship and Christian values is not carried over in the textbook to matters such as greed, the consequences of which are particularly evident in capitalist societies. This is manifested in profiteering, excessive wage demands, excesses which sometimes cause inflation, unemployment and the impoverishment of groups of people. The difference is that the Christian, as an individual, is concerned about moral behaviour whilst capitalism exercises control through the market. The Christian teacher is able to teach Christian morals but the textbooks exclude these perspectives of the syllabus objective.

However, the textbooks deal with the concepts of scarcity, supply and demand, monetary economics, inflation, taxation, functions of the state, international trade and other aspects of economics from a neo-classical and positive economics approach without reference to Christian principles and teaching, although what is ignored is often just as relevant in fulfilling or not fulfilling the terms of the objective. For instance, in the brief references to and sections on socialism in Standards Eight and Ten, no reference is made to the Bible's teaching of the impossibility of a humanly created 'utopia' in which the problem of scarcity is resolved. The scarcity problem is regarded as a direct result of the fall of man and the resultant sinful nature of mankind as evident in the reference to Genesis. "All the speculations of Marxist economists will not find a way for the post-revolution utopian world to avoid the curse of scarcity ..." (North, 1973:vii). The textbooks make no reference to the Christian teaching that economic systems designed by people can never resolve this issue but rather debate the issues of human behaviour and rationality in the pursuit of want satisfaction. Christian morality in terms of seeking after more material goods is not considered. In terms of Calvinist teaching this aspect of the objective is not achieved and inconsistency is evident. The Christian is to seek spiritual and not material things and to rely on God's grace in the provision of all his needs.

But godliness with contentment is great gain ... if we have food and clothing, we will be content with that. ... People who want to get rich fall into a trap and into many foolish and harmful desires that plunge men into ruin and destruction (1 Timothy 6:6,8,9).

This ruin and destruction is with regard to their spiritual state and loss.

North has this to say about what he views as Christian economics and appropriately summarises some of the issues mentioned above:

Scarcity came as a direct result of the original human rebellion; the foundation of geographical specialisation (at least with respect to climate) was laid as a result of the pre-flood culture; the division of labour was enhanced with the very act of cultural, national, and geographical separation that came as a consequence of the tower of Babel. (1974:viii-ix)

He comments aptly on the situation of economists being unable to explain why certain economic phenomena occur and their attempts to be neutral.

Economic analysis can demonstrate a great deal about the nature of the division of labour, the problem of scarcity, the structure of trade. Economics can deal with 'what' but not with 'why'. The modern economist is capable of studying the results of the curse of the ground, the curse of the flood, the curse of the tower; he is able to find positive uses that men can make of each curse. But he is epistemologically incapable of regarding these 'givens' as originally ethical in origin. He cannot say with confidence that were it not for the fall of man and its ramifications, both ethically and in the physical realms of physiology, agronomy, and geography, the science of economics would not exist (or would have radically different 'givens'). ... on the whole they limit themselves to general statements about the marvels of efficiency, or an occasional word favoring voluntary contracts. ... They are utterly silent about the fact that economics is what it is because of God's response, directly and personally, to the ethical rebellion of man (1974:ix).

North is also referring here to the 'positive' and 'normative' economics debate and, therefore, the whole concern about obtaining answers as to the reasons and morality of economic actions, decisions and teaching. He asks that economics teachers move away from much of the approach of modern day positive economics and that Christian principles and biblical teaching become the basis of the thinking and theory of a type of normative economics. In terms of North's writings the fundamentals of Christian reasoning and morality should, therefore, be evident in the textbooks if economics teaching is to have a thorough Christian character. It is more than the issue of setting a personal Christian example and biblical teaching which must be evident in the content of the school work itself.

Theory contrary to Christianity does not necessarily have to be excluded but must be critically evaluated in terms of Christian values if this objective is to be achieved. However according to CNE policy the attitude towards teaching which is not Christian is explained in article six of the FAK policy document which states that "... in no subject may an anti-Christian or un-Christian or anti-National or un-National propaganda be made."

The two textbook series available certainly do not attempt to achieve this goal and there are only smatterings of text that can be related directly to biblical authority. The attempt to do justice to objective one of the core syllabus (1983) fails if the terms of CNE or an alternative orthodox Calvinist approach, such as that of North and his school, is used as a basis of comparison.

Under present policy the real task of achieving this objective and creating a 'critical' Christian approach to high school economics is left to the teacher. Achieving the goal in terms of present policy is particularly unlikely if the teacher lacks conviction, or follows another faith, or even if the teacher lacks knowledge of the FAK policy document and the creeds of the three main Afrikaans churches. Furthermore, the textbook and materials are not particularly 'Christian' in the matter of content.

The problems and degree of support for this objective are further examined in the responses of the teachers to the research questionnaire.

The response of teachers to the "Christian character" objective

In the research questionnaire the general objective was stated and teachers were asked to rank their attitude toward the objective. Respondents showed a mixed reaction to this cornerstone of CNE. The results are:

TABLE OF RESULTS⁴

RATING	n=19		n=17		N=36	
	CEd		HOR		TOTAL	
SA	37%		12%		25%	
A	26%	63%	12%	24%	19%	44%
N	11%		18%		14%	
D	21%		24%		22%	
SD	5%	26%	35%	59%	19%	41%
	100%		100%		100%	

The respondents indicated their opinions on a five point scale which included the options: 'strongly agree'(SA), 'agree'(A), 'neutral'(N), 'disagree'(D), 'strongly disagree'(SD). Then respondents were asked to comment as to the reasons and motivation for their ranking.

If the extremes are not taken separately, 44% of total respondents agree with this objective. When the same is done with the 'SD' and 'D' scores, 41% disagree with it. The remainder of the teachers do not have any strong feelings for its inclusion or rejection. Furthermore, it is seen that most of the respondents who 'strongly disagree' with the objective teach in HOR schools i.e. 35% of HOR respondents, while most of the teachers who 'strongly agree' teach in CED schools i.e. 37% of CED respondents. Nevertheless it is noted that there is a spread of opinion in both departments, although the distributions are skewed towards opposite poles.

Although not unexpected, these findings are significant in that they display a meaningful rejection of this pillar of CNE by a large proportion of respondents and cast doubt as to the validity of the inclusion of such an objective in the syllabus of a subject such as economics for implementation by all schools within a department.

In the questionnaire respondents were also asked: "*Which two of the ... objectives ... do you find most difficult to apply?*" The responses indicated that 22% of 'total' respondents (N = 29) find general objective one amongst the two most difficult objectives to implement. This includes 27% of CED respondents (n = 14) and 19% of HOR respondents (n = 15). It is interesting to note that the proportion is slightly greater amongst CED teachers as it was expected that HOR teachers would find this objective more difficult to fulfill.

General comment by respondents with regard to general objective one included the following:

STRONGLY AGREE (25%)

"This is the basis of the current education system and as an integral part of CNE it must form the basis for teaching economics." Other teachers felt strongly that this objective overlapped with their personal belief and that a Christian cannot have any other basis for teaching. These respondents did not answer how they expected others to adhere to this principle when these teachers did not adhere to Christianity. This problem was highlighted indirectly by the teacher who wrote that his "personal outlook conforms to the Christian character."

One teacher in this group wrote: "Although you sometimes have non-Christian pupils in your class e.g. Jews, Christianity is not a must to be a good economics pupil." Whilst another expressed the opinion that ... "no education is possible without a Christian character in this country." Even within this group there were varying degrees of flexibility of attitude towards the views of others.

77% of these respondents teach in CED schools and 55% have economics as their main teaching subject. All these CED teachers also 'strongly agree' with objective three (economics must promote an appreciation of the South African economic system, which is based on free enterprise, private ownership, freedom of economic activities, in contrast with other economic systems, e.g. state controlled economies) which is to be expected if they consistently adhere to CNE. All these teachers use the approved textbook by Swanepoel et al (1985) whilst one teacher uses Levin and Wait's (1985) book as well. One third of this group does not use any other source of reference, other than the approved textbook, in lesson preparation; and this trend is cause for concern if a rich teaching process is to occur.

AGREE (19%)

These comments indicated that Christianity had traditionally formed the basis of education and so it was worthwhile continuing this pattern. These respondents obviously had no problem with this objective but were not as rigid about it as the 'SA' respondents. It was indicated that adherence to this objective was not believed to be a pre-requisite for a good teacher. Also some negative reaction to a CNE interpretation of what is Christian.

NEUTRAL (14%)

The small amount of opinion expressed was that Christianity was not essential to the teaching of economics. Another respondent felt this was the duty of the church and not the teacher of economics.

DISAGREE (22%)

Opinion indicated that it would be preferable to use economics as a basis for inculcating morals and values and that religion must not be used as the means of achieving this.

Religion merely resulted in indoctrination. One teacher wrote: "Our classes consist of children with different religious upbringing. It would be unfair to try to ... indoctrinate these children." Another teacher stated clearly that he would "rather have a more general humanistic approach." Other opinion displayed concern for the contradictions of motives such as profit, which is very much part of economics, and Christian values. This last comment is interesting in that it indicates a belief in economics as that of capitalism and correlates with the opinion of some of the well-known economists of this century.

STRONGLY DISAGREE (19%)

Most of these respondents disagreed for religious reasons and did not find it possible as a Muslim or a Jew to implement such an objective. Others backed this viewpoint by querying the inclusion of this objective in the open schools of the future. Humanism was suggested as a possible alternative basis for this objective. These attitudes confirm belief that many teachers teach economics without taking into account the objectives as laid down in the core syllabus. For these teachers the inclusion of such an objective is anathema and an alternative value system needs to be considered.

One teacher summed up the situation and wrote: "What exactly is the Christian way of life? Such an approach ignores other approaches to life, and is unrealistic. In any case what ... type of Christian ideology do we follow in the RSA? Also, teaching this subject from a Christian point of view directly conflicts with my own views as a Muslim."

Only one of these respondents does not teach in a HOR school and 71% of these teachers disagree with objective three (economics must promote an appreciation of the South African economic system, which is based on free enterprise, private ownership, freedom of economic activities, in contrast with other economic systems, e.g. state controlled economies) which is an expected pattern in view of their implicit rejection of CNE. As expected a large number, 85%, rank this objective amongst the two most difficult to apply. All these teachers use the textbook by Swanepoel et al (1985) but consistent with their responses and attitudes all find it necessary to use other books in lesson preparation, which is in marked contrast with those who 'strongly agree' with this objective. Only one of these teachers would not like the pattern of the Senior Certificate examination, following approved textbooks closely, to be changed.

Senior Certificate examinations

This "Christian character" objective does not play a direct role in the Senior Certificate examinations of either the CED or HOR in that the economics taught and examined is generally that of positive economics. Christian principles are reflected to the same extent present in the approved textbooks and content taught in the classroom.

The lack of importance given to this objective in a mainly examination-based approach to the curriculum diminishes the importance which will be given to this objective by teachers. The achievement of a critical Christian-based approach to examinations is suited to a normative approach to economics based on a process type teaching model.

The tremendous importance attached to the achievement of results by schools exerts pressure on teachers which causes the further neglect of one of the fundamentals of the FAK policy document and CNE i.e. the Christian character of the teaching of the subject. The inclusion of this objective in the economics core syllabus is based on what is expected by Afrikaner nationalists in terms of an orthodox Calvinist position and is implemented, in a sense, to the extent that the national element of CNE is included in examinations (See objective two). From a Senior Certificate examination perspective, general objective one seems to have been added to the syllabus because it forms an integral part of CNE and not because of its role in the selection of the positive economics content of the syllabus, and influence on the selection of texts.

The Christian aspect of the economics curriculum is weakened by the lack of implementation in examinations. The examinations need to form a unit with content taught, syllabus texts and other aspects of the curriculum in order for consistency in the curriculum. This is not the case as the examinations and textbooks are inconsistent in this regard. The lack of implementation of this objective in examinations seems to indicate that examiners do not regard it as worthwhile, and cannot themselves make the connection between religion and economics or are embarrassed by it.

Conclusion

If the CNE approach to Christian teaching and principles in economics attempted a biblical foundation to the subject it would then be possible for bible-based Christian answers to be given in respect of economic theory and phenomena. A development of a more critical attitude and greater awareness might well be a by-product of this approach as economic theory and facts will be measured against particular criteria. The use of Christian criteria does not imply that pupils must agree with it although many Christians would probably prefer this to occur. A narrow application of Christian-based criteria would reinforce a product-based approach to the curriculum.

Christian writers such as Gary North cannot discard all the teaching of present day economics but the arguments lend some justification to a new look at economics in a school situation where the declared aim of the syllabus is to give it a Christian foundation. The textbook is not expected to ignore the theory of accepted economics, as this would make it difficult for the pupil to relate to western economics in practice, but as indicated it would be more consistent if it evaluated the theory and factual base in the light of Christian teaching. This is in itself not an easy task to achieve if the broad body of Christians is to be satisfied as interpretation of biblical teaching does vary, although many of the fundamentals are commonly believed. The task is easier to achieve if confined to the CNE definition of what is Christian.

Paxton who wrote a thesis on *Teaching the economics core syllabus in South Africa*, however, merely ignores the problem and the issue of CNE policy with regard to economics and writes that "... it can be argued that Christian principles in general can and should be applied to all spheres of life, including the Economic." (1989:38)

The problem is not that the objective cannot be applied at all but that the nature of the subject leads to difficulties in this its application, which she acknowledges, and that the belief of a substantial body of teachers is not in agreement with a Christian objective to economics and particularly the particular Christian perspective which forms part of the CNE policy.

The distribution of attitudes towards this objective is reason to believe that the curriculum for economics varies to a great extent from school to school. The inclusion of an objective such as this in the core syllabus does not ensure unity of opinion or conformity of practice. A Christian value system cannot merely be imposed on people who do not believe in it. However, the ideal textbook is neutral in terms of religious doctrine and exposes pupils to a range of different views of economics, one of which would be

Christian. Pupils could be taught to evaluate economic theory and action from Christian, socialist, capitalist, and other perspectives. This would overcome the difficulties brought about by imposing the values of a group on all participants. The restrictions imposed by textbooks, examinations, and syllabuses would be reduced and pupils encouraged to focus on the deep structure of knowledge and move away from the present product-based approach to one based on process where problem-solving and simulations played a more dominant role in classroom economics.

The objective will have to be altered to allow for the latter alternative. Schools that choose to retain a Christian basis to the curriculum could retain this objective but provided it be worded in such a manner that the evaluation of alternative value systems would be considered. However, the accepted tools of capitalist analysis and its approach are considered essential for economic understanding and analysis by students and teachers alike in both capitalist and socialist countries. Classroom economics cannot operate in isolation from the international teaching of positive economics.

Notes

1. Gary North is on the staff of a Christian educational organisation in the USA and undertakes research and writing specifically for Christian education.
2. Schools who adopted model B would be state schools open to all races which contradicts article eight of the FAK policy document (Appendix 5). Most of these schools became state-aided schools from 1 April 1992.
3. Table 1 indicates the responses when teachers were asked in the research questionnaire *"What official textbook(s) is/are used in your school for issue to economics pupils?"*

TABLE 1.

	SWANEPOEL	LEVIN / WAIT	BOTH
CED (n=19)	84%	5%	11%
HOR (n=17)	100%	0%	0%
TOTAL (N=36)	92%	3%	6%

The research by Paxton(1989) also shows that most schools in South Africa use Swanepoel et al (1983, 1984, 1985) as the sole approved textbook for economics i.e. Paxton finds that 76,6% of teachers and 93,8% of pupils only use Swanepoel. (1989:95) In the questionnaire teachers were also asked: *"Do you use other books for lesson preparation?"* Table 2 shows the results of this question.

TABLE 2.

	YES	SOMETIMES	NO
CED (n=19)	42%	37%	16%
HOR (n=17)	35%	53%	12%
TOTAL (N=36)	42%	44%	14%

4. Percentages represent the proportion of teachers in that department who responded as indicated; whilst 'TOTAL' represents the proportion of all respondents that responded as indicated i.e. this is not the sum of the percentages as expressed in the other columns. Where the sum of percentages, in a column, exceeds or is less than 100% this is as result of rounding off.
5. Van den Berg and Buckland (1983) describe the same issues in considering the extent to which the Senior Certificate examination subverts the history syllabus.

CHAPTER FIVE

ECONOMICS AND NATIONALISM

The issue of Afrikaner nationalism is a fundamental part of the policy of CNE and stated directly in general objective two of the core syllabus. The full impact of this objective is better understood when considered together with the Christian aspect of the policy as outlined in the previous chapter. The textbooks and examinations of classroom economics display the practical outworking of this objective particularly in the form of Afrikaner symbols. The opinions of the teachers to the research questionnaire indicates something of the attitudes towards this objective by the respondents and the practical achievement of this objective in the classroom. General objective two of the economics core syllabus states that

...The teaching of economics must have a national character, i.e. it must instil in the pupil a love for and interest in what is peculiar to the Republic of South Africa and her people (1983:1).

Objective two is derived directly from article three of the 1948 FAK policy document.

By national education we understand teaching in which the national principle of love for one's own may effectively become valid in the entire content of the teaching and all activities of the school so that the child shall be led properly and with pride in his spiritual-cultural heritage into the spiritual-cultural heritage of the nation (See Appendix 5).

However, as indicated under objective one, the policy of CNE does not separate the Christian ethical and moral value system from the role and development of the nation, meaning in particular the Afrikaner people, under God. Article one of the FAK policy document states: "Corresponding with the basic structure of our Christian National life and world view, the National principles always must be under guidance of the Christian principle - the National must grow from the Christian root." This is further explained in article four which deals with the "Child and Christian and National Teaching and Education" and in part states that "... apart from the common characteristics that one child shares with all children from all nations, there are also the national characteristics that must be known and repeated." Furthermore, article six which deals with the "Content of Teaching and Education" explains in the introduction "... that the spirit and direction of all subjects ... must coincide with the Christian and National life- and world-view." (See Appendix 5)

The reasons for the stress on the historical achievements in economic terms in the syllabus may be found in article six with regard to history which states: "We believe that next to the mother-tongue, the patriotic [vaderlandse] history of the nation is the great means of

cultivating love of one's own." This is also evident in the wording of the general objective where it states that economics "... must instil in the pupil a love for and interest in what is peculiar to the Republic of South Africa and her people."

The Standard Eight syllabus (See Appendices 1 and 2), therefore, examines the development of the South African economy from this specific national point of view; and this is continued in Standard Ten where a closer study is made of the various economic sectors. The syllabus guide states that "an intensive study of the economic development of the Republic of South Africa is required. By means of this study the pupil can be made conscious of his personal responsibility in the national economy. In introducing this section the teacher should point out the native inhabitant's stage of development at the time of the white man's arrival ... " (Std 8). It is clear from this statement that a white-centric approach to the economy is required and that it is more particularly an Afrikaner nationalist perspective.

The textbook content needs to be seen in the context of the FAK policy document articles as well as the instructions and guidelines of the economics core syllabus. The responses of the teachers to the research questionnaire are in turn a reaction to the status quo.

The textbooks

Economic activity prior to the arrival of the Europeans is by implication not regarded as particularly important for secondary school economics students under the CNE policy. Swanepoel (1983:96) summarises the activities prior to the arrival of the Dutch in half a page whilst Levin and Wait (1984:96-98) have marginally more to say about the economic activity prior to Jan van Riebeeck, and include "the natives" (sic) as part of the economic stage of animal husbandry and agriculture. It can be argued that the purpose of looking at economic history is to examine the development of the modern market economy, money, trade patterns and that other activities prior to this are of little relevance. However, the textbooks consider the period from 1652 to 1867 in what could be considered as unnecessary detail, in many cases hardly economic history, and clearly a CNE and Afrikaner nationalist perspective of events. For instance, population growth is regarded in terms of increase and location of the "white (Christian)" population; and the end of slavery, the slaves being largely heathen, in 1834 is considered in terms of the losses suffered by whites and more particularly farmers (Swanepoel:108-109). No reference is made to the question of human dignity and freedom, or the rights of the individual within the capitalist system which is also a declared part of the syllabus. In addition the economic factors which were a substantial reason for the abolishment of slavery are not mentioned in a textbook which is written with the purpose of describing economics to high school pupils.

The period from 1867 onwards is of greater importance for economics pupils in the sense that the discovery of diamonds and gold led directly to the post-industrial development of the present economy and the role of capitalism. It also lends a greater understanding of the position of groups of people in the country as well as how wealth and power have been distributed. Nevertheless, an examination of the textbooks reveals bias in terms of what is not included. The information is presented in the positive economics mould and, therefore, taken as fact without any particular allowance for normative judgements.

Certain aspects of the economy are unduly emphasised in terms of what is written. Du Preez writes that, "School texts are noticeably guilty of the glorification of agriculture /being- a- farmer symbols" (1983:78). Swanepoel regards agriculture in an important light as he states that it promotes peaceful co-existence in S.A. and that people are regarded as being content if their needs are satisfied. He states that food and clothing play a key role in this regard and that both are provided by agriculture (1985:80). Whilst not underestimating the importance of food production in the survival, well-being and contentment of any people, and in creating an interdependence between nations, it is not adequate to view food production as if it can be utilised to solve the conflict within South Africa and to improve our acceptability within Africa. The impression created is that blacks will continue to be subservient as long as their basic needs are satisfied. This is a practical example of article six of the FAK policy document as the white (mainly Afrikaner) farmer is seen in a role of national importance and having been specially called by God to fulfil this role. Agriculture has traditionally been protected from the normal effects of the market and the Agricultural Marketing Act of 1937 and the subsequent establishment of the Agricultural Control Boards have played a significant role in this regard. The position of the white farmer will continue to be contentious as long as this position is adhered to and this policy is propagated. The uncritical approach to the agricultural sector and the manner in which it is exempted from normal market influences and activity is of concern in view, of the third general objective, of promoting the free enterprise system and which indicates a priority of promoting love of the 'nation'.

The Standard Ten syllabus study guide (See Appendices 1 and 2) calls for an intensive study of agriculture in the light of its historical background. The textbooks interpret this as a 'loyal to the Afrikaner history', non-critical approach that is evident in the texts. In her "South Africa is an agricultural country" master symbol Du Preez writes:

... the world ends at the borders of the land ... there exists only one world and that is the platteland of South Africa (1983:78). The city is presented as a threat, a place where the Afrikaner feels ill at ease, a sojourn before returning to the farm (1983:79). Despite the fact that only 10-12% of all Afrikaners are farmers, the Afrikaner still adheres to a rural symbolic system (1983:78).

The descriptions and importance given to agriculture in the South African economy, in the present economics textbooks, are consistent with Du Preez's master symbol.

The general approach to the economy assumes that South Africa is the white republic and that the homelands are not part of the country. For instance, Levin and Wait discuss the decentralisation policy under international trade as homelands are considered foreign countries by these authors (1985:90,147-150). This cornerstone of grand apartheid is presented as if entirely justified on the grounds of economic deconcentration and the terminology described as if an accepted part of general economic theory. Swanepoel identifies the homelands as part of the policy of creating labour opportunity close to the homes of blacks. Therefore, purely as a policy of economic advancement and job creation, ignoring entirely the political ramifications and the main political aim of keeping blacks out of the republic (1985:112-116). Whilst there are great economic benefits in preventing many of the social and other problems of centralisation of industry in the cities through a policy of decentralisation, it is extremely misleading for economics pupils not to be told the main political reason for the policy.

Swanepoel does not ignore the problems of family break-up in over concentrated areas (1985:111) but makes no mention of the problems of migrant labour and the resultant destruction of black family life.

The textbooks present selected information in a non-critical and unquestioning manner as if factually correct and all inclusive. This is in some ways a natural extension of the positive approach which is adopted towards most post-school economics teaching, but it is especially despicable here because of the political ramifications of the South African model of decentralisation. The approach to this topic and the acceptance of apartheid principles in school economics texts is a logical consequence of CNE.

National pride is also engendered through the achievements of industry, particularly where South Africa is regarded as a world leader e.g. Sasol, Armscor. "Without iron and steel from Iscor and the chemical products from Sasol, the manufacturing industry would have shown very little expansion" (Swanepoel,1983:128). The importance attached to Sasol, Iscor, Eskom and other major industrial (and para-statal or semi-statal organisations) is part of the process of developing a love for South Africa by showing what can be done despite rejection and boycotts by many foreign nations. Swanepoel writes: "The antagonism of other countries towards South Africa promoted the urge to be self-sufficient" (1983:127). The possibility of a vibrant economy without these industries, nor the tremendous drain on the consumer through taxation and other state revenues in establishing such industries to ensure South African economic survival, is not considered.

This pattern is repeated in the textbooks in regard to the potential of South Africa as a leader in the solution of Africa's economic problems (See objective three). Successful relations and achievements by South Africa in Africa are often given excessive emphasis as can be seen in the media with regard to improved relations which have resulted from the changing political climate.

The responses of teachers to the research questionnaire displays something of the different understandings and feelings that economics teachers have about and for the issue of nationalism in classroom economics. Ignorance as to the intentions of this objective and the inclusion of Afrikaner symbols in textbooks is also evident in some of the responses.

The response of teachers to the "nationalist" objective

The results of the questionnaire indicated :

TABLE OF RESULTS

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	53%		29%		42%	
A	32%	85%	47%	76%	39%	81%
N	5%		6%		6%	
D	11%		6%		8%	
SD	0%	11%	12%	18%	6%	14%
	100%		100%		100%	

Reaction to this objective is somewhat surprising in that only 14% of total respondents either 'disagree' or 'strongly disagree' with this objective, and only 6% fall in the 'strongly disagree' category. 81% of respondents either 'agree' or 'strongly agree' with this objective. An insignificant number (6%) are neutral in their feelings in this regard. Support for this objective is received from teachers within both the CED and HOR. A greater proportion of CED teachers (53%) express the 'strongly agree' rating, whilst 47% of HOR teachers 'agree' with the objective.

As result of political feelings and related possible emotional reactions the extent to which respondents relate to this objective must indicate that they identify to some extent with a South African national identity and are willing to teach economics with this goal in mind. This in no way gives recognition by all respondents to what is the official, Afrikaner, view of a 'national character'. There will most definitely be different interpretations and it is probably fortunate that no attempt is made to define this in the objective itself.

In the questionnaire respondents were also asked: "*Which two of the ... objectives ... do you find most difficult to apply?*" The responses indicated that 23% of 'total' respondents (N = 29) find general objective two amongst the two most difficult objectives to implement. This includes 14% of CED respondents (n = 14) and 32% of HOR respondents (n = 15). The greater difficulty lies with teachers who have been subject to the negative discrimination resulting from their experience of apartheid.

General comment by respondents with regard to general objective two indicated the following:

STRONGLY AGREE (42%)

A strong feeling of loyalty towards the country of which the teachers and pupils are citizens was expressed, and therefore, there is a need to develop a pride in the country which is 'ours.' One HOR respondent wrote: "I am a South African, I love my country." Some expressed the opinion that it is easier for pupils to identify with what they are most familiar, and that ... " they understand the work better because South Africa is their country." Although other countries should be used as examples, and world events must not be neglected at the expense of ensuring that economics has a national character.

AGREE (39%)

Opinions focussed mainly on the ability of pupils to identify with, evaluate and understand the local economy with greater ease as they are more aware of South African social, political and economic issues. From a teachers point of view, a respondent wrote that ... "it is easier to use practical examples which apply locally than (e.g. USA) a foreign country's examples." Another respondent wrote: " The pupil is a citizen of the RSA and is affected by what happens in the economic ... spheres. Thus, teaching should have a national character as it should help the pupils to understand, interpret and evaluate the world in which he finds himself".

NEUTRAL (6%)

This small proportion of respondents indicates mainly a lack of conviction in regard to this objective and the view that economics must deal with other economies as well. However, this objective does not rule out the study of international economics and the problems of other countries.

DISAGREE (8%)

The feeling of this group indicates a fear that this objective will be used as a propaganda tool and that the classroom must rather involve a process of comparative evaluation. A respondent writes that ... "economics should rather concentrate on the economic evaluation of the national character and be impartial." A degree of pessimism was expressed in regard to possible neglect of other countries which are sometimes a better source of information. A small proportion of respondents find it difficult to 'instil a love and interest' in a country in which they cannot share in the wealth more equitably.'

STRONGLY DISAGREE (6%)

There is a feeling that community differences and the results of apartheid make this objective impossible to consider. The small number of respondents (6%) who showed this attitude is noteworthy.

The attitudes of teachers have a large influence upon the interpretations given to content and the affect of nationalism on classroom activities. The demands of the Senior Certificate examination have had a particularly powerful affect on classroom practice.

Senior Certificate examinations

The place given in the approved textbooks to Afrikaner history, agriculture, and white national achievements and many of the attitudes of the respondents are often reinforced by the questions set by both the CED and HOR in the respective Senior Certificate examinations.

The perspectives of CNE reinforced by the examinations in this regard are those linked to Afrikaner symbols and the achievements of mainly 'white' South Africans. The link is to the heritage of the Afrikaner and his religion and life values. Many of the attitudes expressed and responses expected in examinations are rooted in Calvinist Christian teaching as taught by the three major Afrikaans churches. A product-based approach is adopted as certain prescribed values and attitudes are regarded as the norm to be reproduced by candidates in answers to examination questions. It is a love and interest which is that of one group of people and is seen by some Afrikaners as a fulfilment of a covenant with God in a similar manner to God's covenant with the Israel of the Old Testament of the Bible (Du Preez, 1983:92). The Afrikaner master symbols as described by Du Preez (1983) are useful in understanding how the teaching of Economics is given a national character in examinations.

Those questions which deal with agriculture and its development give an historical link with the heritage of the Afrikaner and are part of the master symbol: South Africa is an agricultural country (Du Preez, 1983:78). This type of question is often part of questions on the 'present economic structure of South Africa' as well as questions dealing with water. The inclusion of water is essential to the master symbol: South Africa is an afflicted country (Du Preez, 1983:79). The majority of Standard Ten Higher Grade papers of the CED (67%) and HOR (85%) include 'eighty' mark essay questions on economic structure whilst all (100%) Standard Grade papers of the CED and HOR include a question on water and/or pollution.

The inclusion of questions on protection, Eskom/Isacor/Sasol, and industry generally show achievements against a background of isolation and sanctions by a hostile world. These national achievements are regarded as a source of pride and admiration. Du Preez includes this as part of 'South Africa and the Afrikaner are isolated' master symbol (1983:79). Protection, Eskom/Isacor/Sasol, and location of industry are included in most Standard Grade Senior Certificate Examination papers of the CED (83%) and HOR (100%). Higher Grade papers of the CED include protection, and location of industry in 83% of examinations and the HOR includes such questions in 100% of papers. Higher Grade papers of the CED (67%) and HOR (29%) include questions on Eskom/Isacor/Sasol to a lesser extent. Questions on the section of the syllabus on the 'state' are also often relevant to this symbol and in developing love for South Africa. Eighty mark questions on the state are included in 67% of CED and 100% of HOR Higher Grade papers examined.

The policy of 'decentralisation' is presented together with 'location of industry', and as part of co-operation with other nations within Southern Africa. This is part of Du Preez's master symbol: South Africa is the leader in Africa (1983:84) which is also presented in questions on 'international trade'. These are also linked with the master symbols of 'World opinion is important to South Africa' and 'the Afrikaner has a God-given task in Africa'.

This objective is generally fulfilled in the manner in which questions are stated and the selection of content examined and draws heavily on the content as presented by the approved textbooks rather than emphasising the broad field of positive economics.

Conclusion

The general impression is that most HOR and CED teachers identify with the "nationalist" objective because they are South Africans. A comparison with the interpretation given by the textbooks indicates considerable room for conflict between the authors and teachers.

The fervour with which the National Party pursued the policy of apartheid has often made it difficult to differentiate between apartheid policy and national pride. This difficulty is also evident when evaluating textbooks and other writings of Afrikaner nationalists and has probably influenced the thinking of many of the respondents. Apartheid needs to be seen as an instrument of Afrikaner nationalism when textbooks, syllabus content, and examinations are considered.

The NP propagated the ideology of apartheid so vigorously ... that many observers in the 1960s and 1970s believed that apartheid had replaced Afrikaner nationalism as the NP's goal and rationale. ... the political order which the NP constructed after 1948 was aimed at enhancing Afrikaner nationalism Through apartheid Afrikaners governed not only themselves, but also all other groups in the society (Giliomee et al, 1989:41).

The fact that the intended meaning of this objective is not spelt out more fully in the economics core syllabus probably plays a major part in its acceptance by 81% of respondents to the research questionnaire. It also indicates an ignorance by the majority of respondents as to the origins of this objective in the FAK policy document. It seems unlikely that the intention of this objective is achieved in the terms espoused by the syllabus planners as well as that of the policy makers. Many teachers understand this objective as that of relating classroom economics to issues of and examples about the SA economy rather than being a major part of the thrust of CNE policy.

The textbooks, used by the teachers, include an interpretation of Afrikaner nationalism as is evidenced by inclusion of aspects of apartheid policy as well as by Afrikaner symbolism. This is consistent with many of the examples of this symbolism as explained by Du Preez (1983).

The examinations, on the other hand, do not generally interpret the objective directly but draw indirectly from the content matter as expressed by the approved textbooks. The product approach utilised in Senior Certificate examinations gives a dominant role to approved textbooks with respect to Afrikaner nationalism as pertaining to the achievement of this objective of the core syllabus.

However, the influence of the nationalist element in CNE dominates the various aspects of the school economics syllabus and texts. This is particularly shown in the treatment of white economic history, the place of agriculture in the syllabus, the reference to blacks and more specifically their role in the economy, and the question of the political policy of separate development that affect many aspects of the syllabus. In many instances the emphasis and areas of neglect of certain economic factors have a subtle influence on the minds of the pupils. This will have to be negated by the teacher if a balanced view of the situation is to be achieved.

The attitudes which are conveyed through the texts help to influence the attitudes of people towards one another. The idea of blacks as disinterested in agriculture and being largely labourers conveys a false image of a lazy and unmotivated people and that of the white man and particularly Afrikanerdom as the 'saviour' of the black peoples. Differences of culture, tradition, loss of land and pride through colonialism and the inroads of 'greedy' capitalists are not taken into account. National identity becomes the identity of the white race and mainly that of the Afrikaner if the syllabus, textbooks and examinations are studied carefully. Even the so-called successes against international sanctions and boycotts are mainly reduced to a struggle between the rights and identities of whites and blacks. This includes the successes of many of the state industries which were founded to provide local independence and in some instances to thwart sanctions.

The strong support given by most respondents to the "nationalist" objective in the research questionnaire seems to be based largely on the assumption that a South African perspective can be given by the teacher and identified with by teachers and pupils more readily because it is known and can be identified with by them. South African examples and experiences are, therefore, more relevant to them. The close relationship of objectives one and two is obviously forgotten by many of these respondents. It would seem then that many of these teachers ignore this link and the white Afrikaner interpretation of this objective, and give the subject a broad South African character with which most pupils and teachers can identify.

Perhaps the extent to which this objective is accepted indicates the degree to which participants have been successfully influenced by the present CNE policy. This is considered further with regard to matters pertaining to "economics and capitalism in the following chapter.

CHAPTER SIX

ECONOMICS AND CAPITALISM

The previous chapter described economics and nationalism. The "nationalist" objective cannot be separated from the interpretation of capitalism as established in general objective three of the core syllabus (1983). This aim of classroom economics indicates that an appreciation of the SA economic system, which it regards as being based on capitalism, must be promoted.

It must promote an appreciation of the South African economic system, which is based on free enterprise, private ownership, freedom of economic activities, in contrast with other economic systems, e.g. state controlled economies (Core Syllabus, 1983:1).

The first part of this objective is a continuation of general objective two and so a love for and appreciation of the economy of South Africa is being promoted. Pride in the economy of the country is to be engendered amongst the pupils, with the emphasis on the South African interpretation of capitalism in contrast to other economic systems. A rejection of all forms of socialism is implicit to this objective.

General objective three is, therefore, in part also derived mainly from article three of the FAK policy document which states:

By national education we understand teaching in which the national principle of love for one's own may effectively become valid in the entire content of the teaching and all activities of the school so that the child shall be led properly and with pride in his spiritual-cultural heritage into the spiritual-cultural heritage of the nation (Appendix 5).

Afrikaner nationalism has strong socialist roots (especially in the 1920s and 1930s) and so the present rejection of socialism appears to stem directly from its anti-Christian counterpart of communism. Article six of the FAK policy document states in the introduction "... that in no subject may an anti-Christian or un-Christian or anti-National or un-National propaganda be made. Therefore, this objective cannot be considered outside the context of general objective one which requires that the "... teaching of economics ... have a Christian character".

The textbook is a useful tool in the analysis of the values which are taught with regard to the objective of promoting an appreciation for the South African economy and its peculiar form of capitalism. The use of the textbook in this analysis is made possible mainly because the authors profess to adhere to the values of general objective three.

The textbooks

It is assumed that the South African economy is based on capitalism and that this capitalism is no different to that of other western countries. Swanepoel states that a "... system of controlled capitalism is found in the West (and thus in South Africa)" (1985:190). The question of apartheid and capitalism is not included. The fact that state intervention and regulation occurs is also seen as a norm in terms of this statement.

The promotion of free enterprise, which is accepted as the basis of the present economic system in the country, is central to this objective. In Chapter Two it was indicated that writers such as Heilbroner and Samuelson consider economics to be capitalism, and that the broad approach to economics in the western world is similarly minded, so the same thinking is evident in the economics core syllabus (1983) as well as the approved textbooks used in the schools. The authors of these books graduated at South African universities that teach economics from a conservative neo-classical perspective. Such universities utilise the texts of Lipsey, Samuelson, Heilbroner and others as a key element of their courses.¹

The broad approach is that of linking the classical tradition, particularly that of Adam Smith, with neo-classical and positive economics. Many sections of the syllabus commence by referring to Adam Smith. For example:

Adam Smith (the 'father of economics') was the first person to draw attention to the importance of the division of labour. (Swanepoel, 1983:21).
To explain why international trade takes place, Adam Smith ... formulated his famous theory of absolute advantage. (Swanepoel, 1985:129).
The classical economist, Adam Smith, in early years already identified the responsibilities of the state ..." (Levin, 1985:153).
... Smith's outline for a good system of tax ..., (1985:205)

The writing and philosophies of other well known economists such as Ricardo, Mills, Marx, Marshall, Keynes, Von Thunen are also referred to but it is the classical stance of Smith that is given the most prominence, and the stance of Karl Marx the least.

As in Keynesian economics, the concept of state involvement and a role within production in the economy is accepted, although this is in conflict with the laissez-faire approach of Adam Smith. "The state also has a role to play in this system and there is a strong contingent that believes the role of the state should be kept to a minimum" (Levin, 1985:159). This dichotomy is accepted with little critical debate as if all economists agreed without reservation, and is consistent with the non-critical, positive and scientific approach adopted. The priorities that the state determines and the extent to which it

involves itself in the economy can, for instance, be brought to the attention of pupils when dealing with the budget. In the same way this section can be used to show the extent to which the political policy of apartheid determines the economic policy of the state. However, the fundamental assumptions of capitalism are accepted as private ownership, sovereignty of the consumer, free competition and the mechanism of free play in the market (Leatt, 1986:8-9).

Private ownership involves the right of the individual to buy and sell resources. These resources include land (natural resources), labour and capital which when employed in production are rewarded with rent, wages and interest respectively. "Any individual is free to possess, to buy and sell as much as he wants of anything within his means" (Swanepoel, 1985:184). "The word 'free' here means a system that is as free as possible of state intervention" (Levin, 1985:159). The entrepreneur is seen as the initiator and effective controller of production and is rewarded with profits if successful in combining land, labour and capital effectively. "He must combine the three factors of production, i.e. he must combine and utilise them at the right time, in the right place and in the right quantities. ... It is also his task to combine these factors in the most effective and economical way to make the maximum profit" (Swanepoel, 1984:50). This has the implication that society will be divided into the two classes of capitalists (capital) and workers (labour) and that the worker will not have control over the means of production but will be paid a wage as reward, on the basis of the market value of labour.

The restrictions that have historically been placed on blacks with regard to the ownership of resources and their being limited to remaining chiefly wage earners, with some exception in the homelands, is glossed over by the textbooks and is not raised as an issue in the syllabus. The exclusion of blacks from a meaningful role in agriculture is indirectly justified on the grounds that "... blacks are not very interested in agriculture" (Swanepoel, 1985:97) and even the homelands have become more economically viable as result of capitalist industrial development (which is largely in white hands)! Pupils are further misled as to the gravity of the situation by statements such as "... that the number of black farm labourers has increased, in spite of the increasing mechanisation of the agricultural sector" (Swanepoel, 1985:79). The issues ignored in this instance are not only contrary to the right of full participation by all citizens in the economy but also undermines the promotion of free enterprise. However, the white nation is expected to be proud of its achievements in homeland and other agricultural and industrial development, and criticism is likely to be seen as a lack of patriotism and almost treasonable in some instances. The wide disparities in the distribution of wealth, largely according to race, are evidence of the failure of the present system and the effects of a form of capitalism which has co-operated with the apartheid regime to its own benefit i.e. to the benefit of capital.

It could, however, be argued that the progressive taxation policy with regard to personal income tax and the high levels of company taxation, as discussed in the section on the state in Standard Ten, is evidence of current redistribution of wealth and that without strong private business enterprises this would not be possible. And, furthermore, "... South Africa's rates of income tax have been lower than those of countries such as the USA, Canada, Australia and England" (Swanepoel, 1985:211). Pupils are led to believe by such statements that the South African economy is achieving what leading economic powers have been unable to achieve and so confidence in the country's economy is increased and once again pride engendered. The negative consequences of the pupil who conceives the full impact of the total tax burden does not appear to be a consideration and is an issue serious economics students would enquire about (an excessive tax burden being contrary to the spirit of free enterprise).

In the capitalist economy the consumer is sovereign in the sense that the firms produce what the consumers desire. Production is, therefore, regarded as "... all the activities that produce goods and services for the satisfaction of needs and desires" (Swanepoel, 1984:33). Successful firms are often those who are able to create desires in the consumer and, therefore, expand their market. "New ideas are continually creating new wants. There is a search of a higher standard of living and an attempt to find new means and methods of accomplishing this. This again gives rise to new ideas which in turn create new wants" (Swanepoel, 1984:2). Consumers are viewed as rational beings when they attempt to maximise the utility gained from consumption. This involves constant research into consumer habits and desires and the creation of new products in order to capture a greater share of the market. The existence of true consumer sovereignty within the South African economy is not contested in the textbooks.

The Standard Nine syllabus deals with the question of utility and its relationship to demand as well as price. The approach adopted is consistent with the generally neo-classical thinking in this section of economics. This is particularly evident in the rejection of the classical idea of value only being determined by cost.

The influence of production costs on price ... was emphasised by the English economists (Adam Smith, J.S. Mill and Ricardo). They believed that the value of any commodity is determined by the cost of producing that commodity ... (Swanepoel, 1984:17).

Today, the concept of usage value (utility) is regarded as of paramount importance in the establishment of consumer demand and cost is seldom used in most western nations as the most important basis of determining price (Swanepoel, 1984:17). The syllabus for Standard Nine states specifically that a detailed study of utility is required for Higher Grade and that practical examples be used in teaching the work.

Free competition literally means that firms should compete against each other without any restraints and that control of the market by a particular individual or group is eliminated through competition. Monopoly power and state control should in theory not occur but it is accepted that this does happen and that in particular it is necessary for the state to involve itself in influencing the market as well as having direct involvement in production. The textbooks justify this involvement for reasons such as, inter alia, lack of profits to be made in some circumstances, or the large capital investment required (Swanepoel, 1985:190; 1984:34), or the consideration of peculiar circumstances such as the protection which needs to be afforded to farmers in a land stricken by drought, flood, hail and other 'abnormal' risks. It is with this in mind that legislation such as the Agricultural Marketing Act of 1937 and other government regulations were promulgated. Swanepoel writes that

... the total income of the farmer remains uncertain and varies considerably. ... With the adoption of the Marketing Act in 1937, the authorities succeeded to a large extent in making headway against the uncertainty of prices of the main products (Swanepoel, 1983:118).

In theory, unsuccessful participants are eliminated from the market through the 'fair' means of free competition but in practice confidence is not expressed in the ability of the market to achieve this end as result of special circumstances and inequalities found within the market itself. This is particularly so with the special significance of the rural and agricultural community in Afrikaner culture (Du Preez, 1983:85-87).

In contrast to this involvement it is acknowledged in other sections of the textbooks that the mechanism of free play within the market is, however, absolutely fundamental to capitalism, and that the market is regarded as its key institution and has its origin in the philosophy of the classical economist, Adam Smith. There is also no room for a central economic plan in a market economy. All factors of production are allocated and prices established on the market. "The market system makes use of remuneration as a motivational factor. The harder someone is willing to work, the more intelligent and ingenious his work is and the more risky the work he does the market system will be geared to pay him more for his work or give him a better return on his capital" (Levin, 1985:161). The concept of hard work and reward are closely linked to the Calvinist attitude in this regard.

The value of resources and possessions is, therefore, determined by the market value as expressed in the price. The Standard Nine curriculum examines the market in a fair amount of detail and looks at it from two broad neo-classical points of view. The 'perfect market' is the ideal model of the market which is only realised in rare situations and the

most adequate example is the stock exchange of which the JSE is discussed. "There is an almost perfect market for shares, because one share in a given company is exactly the same as another, so that there is no reason for a buyer's preferring one specific share to another" (Swanepoel, 1984:98). The 'imperfect market' is used to describe all markets that do not fit the perfect model and that display various forms of monopoly formation. It is acknowledged that the market found in the real world is imperfect because it always falls short of at least one of the characteristics of the perfect model (Swanepoel, 1984:100).

The content and approach of the curriculum with regard to price formation on the perfect market is neo-classical and based substantially on the work of Alfred Marshall who was largely responsible for combining the two theories of price formation, demand and supply, into one system (Van den Bogaerde, 1967:11). This theory of price formation is specifically evident in the textbooks in the sections dealing with demand, supply, and price formation on the market in the Standard Nine syllabus; as well as other sections dealing with aspects of the market, such as the foreign exchange market in the Standard Ten syllabus. Swanepoel writes: "The operation of the foreign exchange market is similar to that of an ordinary produce market" (1985:158). "Like any other price, the rate of exchange is determined by the demand for and the supply of foreign exchange" (1985:142). There are also many other examples of this approach being carried out in the textbooks.

The promotion of capitalism is, therefore, particularly achieved by inclusion of specific theory and factual information but it is important to note that in terms of the syllabus objective it is the "... appreciation of the South African Economy ..." which is also regarded as of prime importance. This is partly achieved by constantly comparing the merits of the achievements of the South African economy with those of other nations, and by references to the failures of communism and harsh actions by some communist rulers. The merits of a mixed economy or the likelihood that the socialist systems concerned have failed because the systems have not been truly socialist is not evident in the texts. State involvement in industry is justified in terms of reasons already described. However, this involvement by the state is not considered to be communism. Swanepoel et al write that "... under a communist system production is fully directed, controlled and organised by the state" (1984:34).

Pride in and appreciation of the South African economic system is stressed by statements such as: "The large local manufacturing industry makes South Africa less dependent on foreign countries. This means South Africa will not be too badly affected by the boycotts and isolation campaigns" (Swanepoel, 1985:97). The textbook encourages pupils to have confidence in the ability of the economy to survive the harsh realities of sanctions and it is

ranked alongside the USA, Britain and France as a highly developed country (Swanepoel, 1983:48). "South Africa has a strategic position in Africa. ... As the principal industrialised country with the greatest natural resources, South Africa can take the lead in the development of the continent" (Swanepoel, 1985:98). The nation is seen to have an unequalled position in the role it has to play in Africa. Du Preez writes that this approach is important to the Afrikaner because of the attitude of superiority over blacks, and because of the God-given task he feels he has in Africa (Du Preez, 1983:84-85).

The response of teachers to the "capitalist" objective

For many privileged whites this objective is not particularly problematic but for oppressed groups who have long been denied equal access to economic opportunity this objective is clearly offensive and difficult to support and carry out in the classroom, especially within schools that have suffered as result of apartheid.

This particular explanation of the economic order in South Africa is difficult to reconcile with the real economic order. Blacks have for many years been denied 'freehold property rights' and even now this is only attainable on a limited basis and generally only in the form of 'leasehold property rights' in the main urban areas. The Group Areas Act of 1950 restricted ownership of property according to race group in defined areas with few business districts being open to access by all until its repeal (1991).

But then South Africa and its business have not been normal, and in many respects are still not. The only reason why over the years business in this country managed to survive and prosper despite apartheid was precisely because apartheid contributed to business profitability.

This fact abounds with examples. Job reservation ensured that the most lucrative jobs were for whites only and that a black could not supervise whites; until the 1970s blacks were not allowed to own property in 87% of South Africa; no black was allowed to own more than two businesses; in short, blacks could not accumulate capital, except by foul means (Leoka, 1992:17).

However, it is difficult for those previously denied access to 'open business districts' to purchase property in these areas without some method of redistribution. The vested interests of current ownership, the high cost of entry into these markets, and possible social and political taboos are further restricting factors. The involvement of the State, which has been controlled by white politicians, in entrepreneurial activities further detracts from the concept of free enterprise.

In the research questionnaire the general objective was stated and teachers were asked to rank their attitude toward the objective. Respondents were also asked to comment as to the reasons and motivation for their ranking.

The results of the questionnaire are:

TABLE OF RESULTS

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	53%		12%		33%	
A	21%	74%	18%	30%	19%	52%
N	11%		18%		14%	
D	11%		53%		31%	
SD	5%	16%	0%	53%	3%	34%
	100%		100%		100%	

33% of respondents 'strongly agreed' with this objective and 19% 'agreed' with it, however, the majority of these teach in CED schools with small support from HOR teachers. The 74% of CED respondents who 'strongly agreed' or 'agreed' indicates the extent to which most whites are satisfied with the status quo. However, 31% of respondents 'disagreed' and only 3% 'strongly disagreed' with this objective. This means that approximately one third of teachers are opposed to its application. The strong correlation between the responses and those who have been disadvantaged as result of the inequalities which have resulted from apartheid is not surprising and supports the contention of a rather blemished 'free enterprise system' in practice.

In the questionnaire respondents were also asked: "Which two of the ... objectives ... do you find most difficult to apply?" The responses indicated that 28% of 'total' respondents (N = 29) find general objective three amongst the two most difficult objectives to implement. This includes 32% of CED respondents (n = 14) and 26% of HOR respondents (n = 15). It is surprising to note that 32% of CED as opposed to 26% of HOR teachers felt this way. It was expected that a greater number of HOR teachers would have ranked this objective amongst the two most difficult to apply. If this response is compared with the extent to which respondents agree or disagree with this objective then it can be concluded that some teachers disagree with it but do not regard it as excessively difficult to apply in the classroom.

General comment by respondents with regard to general objective three indicated the following:

STRONGLY AGREE (33%)

Those who strongly favoured capitalism felt very supportive of this objective. It was felt that this was the only way in which to best solve the economic problem of scarcity. In

the words of one teacher: "The only economic system viable for survival." Yet 50% of these respondents (SA) ranked this objective amongst the two most difficult to apply. A minority expressed the opinion that if capitalism was not supported then the system would be that of communism, which one respondent stated directly as the anti-Christ which is a particularly simplistic viewpoint from a person holding a bachelor's degree. This minority made no attempt to justify this perception and it is not clear why some 'mixed form' of economy is not deemed a possibility.

Others express the opinion that this approach helps pupils best decide which economic system is most appropriate, and that other systems should also be explained on a comparative basis; and that "... other systems ..." besides capitalism "... should be represented as fairly as possible." Some felt this would strengthen appreciation of free enterprise.

It was not expected that only 16% of these teachers would have no problems with the approved textbooks of Swanepoel et al (1983, 1984, 1985). These problems appear to stem more from the layout of the textbooks, as well as other statistical and technical deficiencies.

AGREE (19%)

Those who responded in this way displayed a variety of motivations. Opinion was expressed that South Africa does not have a free enterprise system and that this objective is a good basis to explain these shortcomings. The approach of the teacher must be such that ... "it should promote a critical appreciation of the capitalist and communist systems so that pupils can weigh up the pros and cons of the various systems. So that a choice can be made of the best possible system for South Africa."

Another teacher wrote: "I agree but it is only so in theory, where it is seen in practice this goal is achieved through exploitation of the majority by a minority group." One teacher, however pointed out that ... "it is important to show the differences between the free enterprise system and South African system."

NEUTRAL (14%)

Opinions expressed no support for any particular system and wide acceptance of a variety of economic systems. It was felt that pupils who were poverty-stricken would be anti-capitalist and inclined towards communism. This objective would then be difficult to apply in certain schools i.e. schools in poor areas. "Many pupils feel that their own ... families suffered much because of capitalism."

Again it was felt that all systems must be evaluated and that there were major differences between South African capitalism and liberal capitalism as found elsewhere in the world. One respondent wrote: "Die leerling moet self die voor- en nadele van die verskillende ekonomiese stelsels teen mekaar opweeg en self besluit watter stelsel die beste is."

DISAGREE (31%)

These respondents obviously felt fairly antagonistic about this objective and the manner in which it is stated, although their reasoning was much the same as those who felt neutral or even agreed with it. It was felt that South Africa did not have a true 'free enterprise economy' and that pupils should be taught in such a way as to enable them to adequately weigh up the pros and cons of the various economic systems.

A teacher wrote that ... "it is the second part of the statement which is contentious, it suggests bias as to which system would solve the economic problem better." Some teachers felt strongly that teachers are not propagandists and that a neutral position must be taken in instruction. One respondent wrote: "I am an educator not a propagandist. Pupils must know the various economic systems and if democratically they then choose socialism ... at least it will be an educated decision."

STRONGLY DISAGREE (3%)

The little support for this category originated from CED respondents (5%), and no written comment was made.

Senior Certificate examinations

This objective receives the main emphasis in the examinations of both the Standard and Higher grade papers of the CED and HOR. This is appropriate as free enterprise, and its theory and practice, form the main thrust of the content of the syllabus, and correlates more closely with the positive economics of the west. The examination questions, however, tend to put considerable emphasis on peculiarities of the South African economy, and no doubt this assists in engendering an appreciation of its characteristics and achievements. It is possible to anticipate the inclusion of certain types of questions which draw out South African economic peculiarities and which treat them as the norm. Some of these are now discussed.

It appears that examiners accept the norm of a form of capitalism which includes a fairly substantial amount of state involvement in the economy. Some of these questions can

also be seen as developing pride in the achievements of the South African economy. Most examinations include questions on state industries, some of which have now undergone a form of privatisation e.g. Sasol, Iscor.

It is common for questions to be asked on the functions of the state, the role of the state in production, the state budget procedures, and the tax system. These questions draw attention to practice in capitalist economies. Most of the CED (83%) and HOR (75%) Standard Grade papers surveyed included a question directly on capitalism which is linked directly to the state's functions and general role in the economy. Questions on the functions of the state are treated in the textbooks, which is an important source of examination content, as linked to the writing of Adam Smith and also as describing capitalism. The examination questions generally support the origin of these functions as stemming from classical economics but accept a measure of state interference in the economy. The acceptance of increased state intervention in the national economy, and in positive economic theory, was significantly influenced by Keynes. For example, questions on taxation, which indicates much about state attitude to the economy, were included in 100% of the CED and HOR Standard Grade papers, 100% of the CED and 71% of HOR Higher Grade papers.

Questions on topics linked to industrial development, location of industries and the policy of decentralisation are included in most Standard and Higher Grade papers and have a strong political bias in addition to that of positive economics. These questions are linked to Afrikaner master symbols as described by Du Preez (1983) (See General Objective Two). The questions generally accept the peculiarities of separate development and the status of the homelands as an economic norm.

The importance of mining and particularly that of the gold mines is fairly regularly examined as part of questions on the 'present economic structure of SA'. Eighty mark questions on economic structure are included in many Higher Grade papers of both the CED (67%) and HOR (85%) papers. These questions are also used to develop pride in SA economic achievements.

Protection of local industries and the means of protection feature commonly as part of international trade in examination papers in nearly all papers of both the CED and HOR. Implicit in these questions is the idea of the need to protect our industries as an integral part of economic survival and is linked to the Afrikaner master symbols (See General

Objective Two). Protection supposedly helps strengthen the economy against international boycotts and sanctions by establishing strong local industries and expertise. The peculiarities of the financial, commercial and blocked rand etc. are regularly questioned and form part of protection policies. Such policies partly contradict the concept of free trade and some of the capitalist teaching of positive economics. The perspectives given are, however, generally supportive of the political and economic statements and policies of the ruling hegemony.

Other positive economics teachings are included in questions such as those on aspects of the market e.g. the foreign exchange market, basic concepts, and the factors of production and their remuneration. All examination papers of both departments feature a question on one or more of the factors of production. The theories about these factors of production (most of which originate in classical economics) which are included in the Higher Grade syllabus are not examined as frequently as would be expected. In the Higher Grade papers surveyed the theory of 'economic rent' of Ricardo was asked once by the HOR, and the 'liquidity preference' theory of Keynes once by the CED as an eighty mark question. This does not include the extent to which the theories are examined in the multiple choice and other short objective questions.

This objective is substantially reinforced by the Senior Certificate examinations of both the CED and HOR. The questions draw much on positive economics and its scientific approach. There is a bias towards political policies and other distortions of economic theory of the ruling hegemony. This is made particularly evident by the Afrikaner master symbols (Du Preez, 1983) as discussed under general objective two. The nature of the examination questions indicates a product-based approach which draws directly on the content of the approved textbooks.

Conclusion

The teaching of an appreciation of the South African economic system and the assumption that it is based on capitalism is that which is best achieved. The capitalism described by the textbook writers is assumed by them to be comparable with that found in other western nations. The extensive degree to which the South African state is involved in the economy both directly and indirectly is not viewed by the syllabus, or textbook writers as problematic.

Many respondents expressed the view that South Africa does not have a capitalist economy and it would appear that the economy is mixed, although the free enterprise section is vibrant and generally successful from the point of view of the middle classes. The contrast highlighted by the opinion of some of the respondents to the research

questionnaire is that poverty stricken people and those denied equality of access to the wealth of the system over many years would not be in agreement with this objective.

The textbooks are dominated by capitalist teachings. Other economic systems are almost completely neglected, except when their shortcomings are being examined. The possibility of teachers breaking out of this mould is slim as most have been educated according to conservative capitalism and its scientific methods and believe it to be "economics".

The main negative aspect of this objective seems to be the inability of teachers and pupils to identify with a system under which they have suffered. Capitalism is viewed as an oppressive and distasteful economic system as result of people's experiences. It is seen to have colluded with the apartheid regime. Many respondents see the solution to the dilemma of this objective as offering pupils the opportunity to make up their own minds after having been shown the pros and cons of capitalism and other economic systems.

This objective is basically contentious because of the manner in which the South African economy is defined. This definition is reinforced by the approach of the textbooks, especially those of Swanepoel et al (1983, 1984, 1985). A broader approach to the South African economic system and inclusion of a more balanced examination of alternative systems would probably satisfy most teachers.

The next chapter links with the "Christian character", "nationalist", and "capitalist" aims of the curriculum and focuses on the vocational and formative value of the subject. This is the last of the formal aims of classroom economics.

Notes

1. The economics departments of six South African universities canvassed, indicated that international texts were prescribed to or recommended as reading for students registered for undergraduate economics courses. Four of these six universities included the well-known texts of Lipsey, Samuelson, and Miller amongst the prescribed handbooks.

CHAPTER SEVEN

THE VOCATIONAL AND FORMATIVE VALUE OF ECONOMICS

The aims dealing with Christian character, nationalism, and capitalism have been discussed in the previous three chapters while the focus in this chapter is that of the vocational and formative nature of economics.

Each subject will, in its own way, contribute to the development of values ... Each subject involves a selection of knowledge which ... is thought to be valuable in the development of the mental powers and the sensitivities of young persons. They will involve ... modes of enquiry that embody the general principles of critical scrutiny, respect for evidence and the truth, respect for others as the source of criticism and of ideas. Each subject teacher will adopt teaching methods that will implicitly convey messages about personal relationships, the exercise of authority, the treatment of people as worthy of respect (Pring, 1986:192).

Classroom economics conveys values relevant to its own selection of knowledge. The methods of enquiry are those used in the testing of economic hypotheses, the building of models with given assumptions that are then used to describe economic realities. These methods of positive economics and values form the basis of scrutiny of evidence, criticism, and problem-solving in the classroom. The economics teacher adopts relevant methods that convey both formative economic values as well as those that prepare the pupil for study and work after school i.e vocational values.

In a guide for teachers of economics Noel Wright is quoted as follows:

Positive economics has been supposed to be a value free science ... Many of us taught it for years in conviction that we were being quite neutral before we realised that it contained a whole set of implicit values which probably rubbed off on students in quite insidious ways If I invited a professor of economics from Peking University and asked him to speak up as soon as I strayed from neutrality, how long would he keep quiet? You may counter that such a person would be operating from an entirely different paradigm. But this is precisely the point: growing numbers of people within our community are operating from different paradigms. It is because we live in a society without consensus that the values have become a burning issue (Smith, 1986:81-2).

Although different people might wish to achieve different ends with regard to values taught in economics the intention of using classroom economics for general formative and vocational purposes is clearly stated in general objective four of the core syllabus.

It must be of a general formative nature and vocationally directed (1983:1).

The main purpose of this objective is to provide pupils with sufficient basic knowledge of economics to make them better employees, producers, consumers, citizens (Particular Objective 4); and to encourage them to study economics after school (Particular Objective 9). It is difficult to achieve this objective in a textbook which has the main task of presenting economic theory and facts. It is, however, easier to encourage the development of particular attitudes and values (Levin, 1990:25) which are consistent with Christian and national education, and the system of free enterprise. Examination of the texts indicates a concentration of effort in terms of the latter.

The economics curriculum is a means by which the pupil learns about the real world. The effectiveness of teaching, and classroom learning activity plays a major role in conveying economic reasoning and realities to the child and, therefore the pupil's entrance into reality (Du Plooy, 1982:178), and in particular achieving of the formative aspect of general objective four. Paxton writes that economics "... can make a positive contribution towards pupils' overall preparation for life. ... monetary economics ... and International Trade ... provide possible stepping stones for future careers in that direction" (1989:39). The most likely manner in which the vocational aspect of this objective is achieved is via the development of interest in the various aspects of the syllabus, and more particularly the attitude and methods adopted by the teacher. The manner in which the textbook approaches the content matter can play a role. For pupils to be successful in later life they need to identify with and adopt the relevant values (Du Preez, 1983:12). Du Plooy writes that "The child is only able to get a grip on the adult's world ... via various contents of learning that are transmitted to him ... in the classroom" (1982:177).

The reality and values which are intended are those consistent with the aims of the first three general objectives. These are basically the Christian and national life- and world-view, as well as those of the free enterprise system and, therefore, those espoused in positive economics.

The Textbooks

Considering the dominant role of capitalism in the textbooks it is appropriate to identify some of the attitudes that are communicated in print. The promotion of economic attitudes and values also seems to be the prime reason for the inclusion of this objective in the syllabus.

Acceptance of the market as the most efficient mechanism in the distribution of the factors of production, goods and services is part of a dominant free enterprise value system in evidence in the textbooks. The market and its mechanisms are particularly prominent

in the Standard Nine textbooks when describing the 'perfect' and 'imperfect' markets but also in sections dealing with factors of production and remuneration thereof, foreign exchange, international trade, control of pollution, and in sections dealing with economic history (particularly Standard Eight). Items exchanged, and therefore allocated, on the market have a money value as expressed in the price as result of the interaction between demand and supply, which results in competition. Competition is normally assumed to be healthy. Pupils start to believe that this is the only sound basis of exchange and the determination of a fair and realistic price, and therefore, also the remuneration paid to the owners of the factors of production. State intervention is regarded as necessary only in rare instances of market abnormalities. This is achieved by the state largely through legislation (Swanepoel, 1983,1984,1985). Pupils are taught to believe that barter and other means of allocating resources are inefficient and not appropriate in a prosperous free market economy.

Economics develops an awareness of limitless wants "... while the means ... to satisfy them are limited. Therefore man is faced with a choice. ... the consequences of these choices, and in this way learns to make correct choices. Ways must be found to make the best use of scarce means" (Swanepoel, 1983:12). The textbooks stress this general approach to the benefit of study of economics and this approach forms a basic attitude towards 'why Economic decisions are made'. Those who operate businesses realise the need to "make the best use of available resources and restrict waste to a minimum" (Swanepoel, 1983:13). Government understands the role of sound economic policies in ensuring the stability of markets and prices and so "a thorough knowledge of economics" is necessary "in order to govern successfully" (Swanepoel,1983:13). Economics adopts a scientific approach to the solution of the scarcity problem (Swanepoel,1983,1985).

It is assumed that people's wants are always increasing. Industry and commerce play an active role in the creation of new goods and services in an effort to increase their own market share. Prosperity will result for the successful firms. In a sense pupils are taught to ignore the conservation of resources by means of this constant endeavour to gain more for self. Swanepoel writes: "New products are constantly put on the market although there is as yet no demand for them. The public is then educated about these products and persuaded that they are necessary In this way new wants are created" (1984:4). "Production involves ... all the activities that produce goods and services for the satisfaction of needs and desires" (1984:33). The entrepreneur is a key person to the success of this process. "It is believed that ... he promotes the welfare of the entire community. ... In a capitalist economy he is essential for growth ... for maintaining competition ... he takes the lead and makes production a reality. He helps to transform underdeveloped regions into highly developed regions" (1984:53).

Pupils are apt to accept these attitudes as the only reality. The belief of a shortage of these and other skills is recorded. "From the point of view of the capitalist South Africa has a shortage of entrepreneurs ... (Swanepoel, 1984:52). The pupils of economics, therefore, learn an entirely new attitude and approach which then becomes an integral part of their own way of thinking. These principals are carried over into other areas of life as well.

Pupils who absorb the approach of the economics textbook are likely to assume that certain approaches to economic issues are normal and correct and that others are wrong or ineffective. For instance, labour is considered to be more productive and efficient if job specialisation and division of labour occurs. "Therefore division of labour is based on the principle that the productivity (ability to produce) of a worker can be increased if he specialises in one, or possibility two, tasks for which he shows aptitude" (Swanepoel, 1983:21). The text continues in the context of higher productivity, bigger surpluses, more market activity, and better profits. The importance of the market is again stressed as an integral part of an efficient economic order. This type of thinking appears in the writing of Adam Smith and his well known pin factory example is included in the textbook (Swanepoel, 1984:65) despite the greater relevance of other examples from the modern economy.

Specialisation is also included in the context of international trade. The specialisation of production according to each country's circumstances also leads to a more effective satisfaction of wants. "To satisfy people's wants as cheaply and efficiently as possible, countries trade with each other" (Swanepoel, 1985:126). The simplistic nature of this statement ignores the possibility of it being false and the existence of other reasons for "international" specialisation.

Capitalism is, finally, the only viable economic system. Communism and socialism, are regarded as symbolic of an unjust economic system in which choice is restricted and decisions made by the state as part of the central plan. In some rare instances, such as allocation of labour training to ensure sufficient skilled workers, the system is sometimes regarded by the textbooks as more effective but this is as a result of loss of rights and even through force (Swanepoel, 1985). Pupils will tend to develop a negative attitude towards any form of socialism. All systems that are not capitalist are then seen in the same light as communism. These attitude changes are consistent with research by Stigler, Lee and others as described in the 'philosophy of economics education'. Lee (1974), in particular, describes the conservative rightward political shift in the attitudes of the pupils at a secondary school.

The response of teachers to the "vocational and formative" objective

All respondents agreed with this objective which is understandable when it is accepted that the teachers of economics are in a sense brought into the 'belief system' by their own economics education.

In the research questionnaire the general objective was stated and teachers were asked to rank their attitude toward the objective. Then respondents were asked to comment as to the reasons and motivation for their ranking.

The results of the questionnaire are:

TABLE OF RESPONSES

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	53%		41%		47%	
A	47%	100%	59%	100%	53%	100%
N	0%		0%		0%	
D	0%		0%		0%	
SD	0%	0%	0%	0%	0%	0%
	100%		100%		0%	

General comment by respondents with regard to general objective four indicated the following:

STRONGLY AGREE (47%)

There was support for the idea that the subject lends itself to this objective and that "economics ... must form a basis for further study or ... work" ... after school. One teacher wrote: " 'n vak soos Ekonomie leen hom daartoe om die kind in te lig en bewus te maak van beroepskeuses", and this is supported by another respondent who is convinced that "... if they are guided there might be more stimulation".

AGREE (53%)

Feeling indicates much the same as those who 'strongly agreed' with the objective and also that the approach must not be of a theoretical but of a more practical and general nature.

One teacher wrote that economics "... forms their way of thinking about things and the basic ... terms"; whilst another teacher believes that ... "if the subject provides some vocational direction the pupil will show greater interest".

There was no support for the options of 'neutral', 'disagree' or 'strongly disagree'. In the questionnaire respondents were also asked: "Which two of the ... objectives ... do you find most difficult to apply?" The responses indicated that 25% of 'total' respondents (N=29) find general objective four amongst the two most difficult objectives to implement. This includes 26% of CED respondents (n=14) and 25% of HOR respondents (n=15). Therefore, approximately one quarter of the respondents of both the CED and HOR rank this objective amongst the two most difficult to implement.

The Senior Certificate examination

The vocational aspect of this objective does not play a dominant role but the examination questions reinforce the formative aspect of economics. The values of a market economy, the method of approaching the economic problem, the concepts and the methods of evaluation of economic success, which are learnt are all formative in nature. Their memorisation and examination is a powerful tool in these values being imprinted in the minds and lives of the candidates of both departments.

Virtually every paper has a question on the basic economic problem and the importance of economics to various types of people. The values and ideas expressed in the statement of the subject are accepted as fact. Economics pupils thereafter accept that resources are limited, wants limitless, and that economics is chiefly about the solution of this scarcity problem.

The measurement of national income and concepts taught feature in all papers. Candidates will use these to compare prosperity of economic sectors and nations now and in the future, and especially in the evaluation of information disseminated by the media. Therefore, their attitudes with regard to the well-being of nations and individuals are directed by this teaching and reinforced by the examination questions.

Attitudes to political events and especially the policy of separate development are influenced by questions on location of industries, economic systems, and the state etc. which feature prominently in HOR and CED papers as discussed under objective three. These ideas are often linked more to the world view of the Afrikaner and the politics of the ruling hegemony than the teaching of modern western economics.

Taxation and the systems used are regularly included in questions. 100% of HOR Standard Grade papers, CED Standard and Higher Grade papers surveyed have such a question. The HOR Higher Grade papers surveyed examine this topic slightly less frequently (71%) but this does not diminish the formative nature of this topic to any meaningful extent. Although candidates might dislike the extent and impact of taxation in later life the ideas taught and examined assist in formulating the acceptance of what are regarded as fair taxation principles.

The inclusion of few questions on socialism and regular questioning of capitalism reinforces capitalist values. Questions on the state, as asked in the HOR and CED examinations, can also be viewed as part of the process of conveying capitalist thinking. The emphasis on capitalism is consistent with the lack of importance given to socialism in many economics texts (e.g. Samuelson) and generally in positive economics.

An interesting feature is the inclusion of water and pollution as topics for questions in most papers of both departments. The formation of healthy attitudes towards the scarcity of water and the need for conservation, as well as the harmful effects of pollution to the environment are encouraged. This is in line with a greater awareness of and concern for the environment today, although it is linked to the Afrikaner master symbols (Du Preez, 1983) as described earlier in this chapter. These questions are linked more to issues of Afrikaner nationalism and heritage than those of positive economics.

Water, pollution and labour organisation together make up the section of the core syllabus dealing with current economic problems. The emphasis placed on the first two topics by the examinations is likely to result in neglect of Labour organisation in the classroom. The emotive political and social issues which arise in labour organisation are therefore, largely avoided in the examinations. Such emotions could possibly be seen to act negatively in respect of the objective of promoting the free enterprise system and its values. Labour unions in South Africa are generally socialist in nature and anti-capitalist. Therefore, in the South African political context the issues of water and pollution are considered less contentious than those of labour organisation.

Conclusion

Levin writes with respect to the formative nature of economics :

Through the method of induction, norms are transmitted and values are built which will create in the pupil a series of general attitudes (i.e. saving) and a series of specific attitudes (i.e. finding employment). Attitudes such as those will influence the pupil's decision-making in subtle and subjective ways which will support and complement rational economic behaviour (1990:25).

If this is true then the nature of the work and the context of economics in the west indicates that these values and norms will invariably be those of conservative capitalism as discussed in 'the philosophy of economics education'. Many respondents have not realised the possible contentious nature of aspects of this objective, and this is due in some measure to the nature of their own training in the field of economics and the texts used in their undergraduate study e.g. Samuelson, Lipsey. These texts, as well as newspapers and magazines, are used by many teachers in conjunction with the school textbook, in the preparation of lessons i.e 86% of respondents (N=36) who answered 'yes' or 'sometimes' to the question: *"Do you use other books for lesson preparation?"*

The examination questions in terms of the general objectives need to be seen in light of their combined effect on the economics curriculum. The main thrust of the examinations is the emphasis on the teachings of the free enterprise system and as such positive economics. The extent to which apartheid and capitalism are entwined is not clarified in the examinations. This situation is wrongly treated as being normal to capitalist societies.

From the perspective of the examination questions of the CED and HOR it is difficult to separate the last three general objectives. Questions testing capitalist teaching using South African examples not only fulfill the "nationalist" and "capitalist" objectives but reinforce specific values in the minds of the candidate, and so partly achieve the "vocational and formative" objective as well. The Standard and Higher Grade Senior Certificate examination papers of the CED and HOR contribute much towards achieving general objectives two, three, and four of the core syllabus for economics.

Finally, the "vocational and formative" objective is seen to have a powerful influence over the lives of economics pupils. Economics pupils develop particular attitudes and approaches to economic theory and happenings. These pupils think and understand economics in a peculiar way.

The non-contentious nature of the response by teachers to this general objective does not minimise its importance. The fact that many respondents view it as mostly vocational in intention is contradicted by the mainly formative nature of the textbooks and Senior Certificate examinations of the HOR and the CED.

Economics pupils begin to see, amongst other things, entrepreneurs as the initiators of the success of free enterprise; the market as the mechanism by which resources, and goods and services are best distributed; specialisation as the most effective and only way of organising production; increasing scale of enterprise as leading to economy and prosperity;

and competition as the most effective manner in which to ensure low prices. People are seen as largely rational beings whose wants are never satisfied and whose appetites must be constantly expanded and satisfied to ensure prosperity and welfare. The respondents to the research questionnaire have no problem in retaining this general objective.

Overall it is impossible to view the four general objectives as independent of one another. Objectives one and two are seen as essential elements of CNE and inseparable in their present form. Objective three is generally linked to objective two in the textbooks. It is hard to separate national identity from the system of "free enterprise" found in South Africa. The last objective is satisfied in its vocational aspect by encouraging pupils to enter the field of economics in study and work after school. Again, the formative nature of the subject is an integral part of the first three objectives, and the syllabus, teacher, textbooks and Senior Certificate examinations all play a role in bringing the pupil into the world of economic reality.

It would be best to reconsider the general objectives as a whole and reformulate them in accordance with generally accepted economics teaching. These objectives would aim at teaching positive economics, its scientific approach, and pool of largely neo-classical theory. Pupils would then truly be brought into the "belief of economics".

The next chapter now shifts the focus from the four general objectives to the specific (detailed) objectives and classroom practice.

CHAPTER EIGHT

SPECIFIC OBJECTIVES AND CLASSROOM PRACTICE

The previous four chapters discussed the main aims of Christian character, nationalism, capitalism as well as vocational and formative value of school economics. This chapter focuses on classroom practice with particular reference to the specific (particular) objectives and the approach to the subject of economics as recommended in the core syllabus. The section of the research questionnaire which asks for information about how the teachers view classroom practice and teaching trends in economics forms the basis of the chapter.

The questions in the research questionnaire were grouped in three categories:

- a. Teaching aimed at engendering interest in current economic events and the application of theory in the interpretation and analysis thereof (Questions 1-4).
- b. The purpose of economics teaching and the achievement of particular goals (Questions 5-9).
- c. The importance and influence of content, textbooks and examinations (Questions 10-14).

These three categories (a, b and c above) indicate something of the attitudes and practice of respondents, though it is difficult to reach conclusions on classroom practice on the strength of the questionnaire alone. The responses have been used to attempt to determine the extent to which the particular objectives and recommended approach to the syllabus is reflected in the teachers' thinking about economics teaching in CED and HOR schools.

Classroom Practice and Teaching Trends in Economics

The particular objectives of the economics core syllabus which are applicable to this discussion are:

1. It must promote insight into the South African national economy, the economic-historic development thereof, its particular characteristics, objectives, strong points, shortcomings and problems.
2. It must promote an understanding of the basic economic problems. The pupil must understand that all national economies are confronted by similar problems but that these problems cannot be handled in the same way, in view of the unique circumstances pertaining to various countries.
3. It must promote an understanding that the solutions for such economic problems must be sought by weighing them up against particular goals, values and norms.

4. It must lead to the acquisition of a good basic knowledge and understanding of the economic principles attached to local, national and international economic problems to enable the pupil as a future producer, consumer and citizen to take economically based decisions.
5. It must promote the ability to apply an analytic approach in respect of economic problems and personal economic matters. Rational thinking must be the basis of economic action.
6. It must provide the pupil with insight into economic concepts (subject terminology) used daily in all communication media and must draw attention to the generally accepted economic laws and tendencies and how they influence the South African economy.
7. It must assist pupils to develop the ability to read statistical data, tables and graphs with more insight and understanding and to interpret them intelligently.
8. It must promote logical, abstract, objective thinking.
9. It must inspire pupils to continue with more advanced study of this subject.
10. It must make pupils aware of the interrelationship and interdependence of the different sectors of the economic realities as a whole (1983:1).

Teaching aimed at engendering interest in current economic events and the application of theory in the interpretation and analysis thereof

Teachers were expected to consider it important to encourage their pupils to show interest in current economic events. The difficulty is, however, that it is not easy to teach pupils an understanding of economic theory in such a way that they are able to apply it confidently to current events or to see the links between economic models and the world around them. The questionnaire was not intended to determine how teachers achieved this goal but to establish the importance they attached to it.

1. **It must provide pupils with insight into the national and world economy.**

All the respondents were in agreement with this statement in the questionnaire which is an indication of their identification with making economics meaningful and relevant to everyday life. 68% of CED (n = 19) and 82% of HOR (n = 17) respondents 'strongly agree' with the statement. Although an abstract and theoretical subject in many ways economics is given meaning when related to current events, so these views were anticipated of economics teachers.

No differentiation was made between national and world events in the questionnaire. However, the syllabus has a bias towards national events.

2. **Economics provides the pupil with insight into basic economic concepts used regularly in the media.**

The main objective of this statement was to determine whether teachers felt that the link between classroom economics and the real world is possible considering the content which is taught. The response to this statement indicates that 86% of respondents (N=36) believe that economics is helpful in the interpretation of news items. However, 8% of respondents hold no opinion in this regard, whilst 6% of teachers 'disagreed' with the statement. The questionnaire did not determine whether these teachers used daily news events in their teaching or whether they attempted to use other real-life examples in the classroom.

The syllabus includes concepts such as price, inflation, unemployment, exchange rates, gross domestic product, amongst others, which are used daily on the radio and television as well as in the newspapers. It is not unreasonable to consider that most economics teachers would see teaching pupils to make the link between economics concepts and the media as important. In this way pupils could be expected to develop better understanding of the concepts. Unfortunately the questionnaire did not gather any more information, nor was the opinion of pupils canvassed.

3. Teachers of Economics usually spend considerable class time discussing current economic events.

TABLE: RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	58%		29%		28%	
A	26%	84%	24%	53%	42%	70%
N	11%		18%		14%	
D	5%		29%		17%	
SD	0%	5%	0%	29%	0%	17%
	100%		100%		100%	

By implication the response to this statement indicates that most of the respondents are of the opinion that a majority of teachers spend time relating current events to the syllabus.

Such a view is anticipated as the introduction of current events in the classroom makes lessons more interesting and immediate. If the response of the five HOR respondents (29%) who disagree with the statement is more than opinion and based on their own practice and that of their colleagues, then a fundamental requirement of the particular objectives is not being achieved.

This deficit is also contrary to the approach to the subject required by the core syllabus (1983) which states that "... opportunity should be created for class discussions on

current economic topics within the range of understanding of the pupils to enable them to form a sound opinion on economic matters." Four of the five respondents are between the ages of 26 and 35 years. This opinion may be as result of a number of years of teaching experience or reflect a pattern which has developed in their own classrooms.

4. *Economics pupils must be encouraged to develop the ability to apply economic theory to real situations.*

This is an important aspect if theory is to have meaning for pupils and not merely be memorised to be reproduced in examinations. Proper understanding of the use of economics theory is less likely to occur if not applied to actual events. The abstract nature of much of economics theory necessitates relating it to real situations as far as possible if pupils are to develop the ability to use theory as a tool of analysis and problem-solving. Economics should not be confused with business economics where theory relates to business practice rather than theoretical models of analysis. The use of economics theory would assist businessmen more in understanding the economy, and markets in particular, rather than the operation of their firms.

94% of CED and 100% of HOR respondents are in agreement with the statement whilst the remaining CED respondents are neutral. However, the proportion of teachers who do not consider that much classroom time is used to discuss current events seems to contradict the strong support given this statement. The most relevant real situations are surely those of current consequence and pupils are usually able to identify with practical situations far more readily than pure theory. Further information as to the contradiction of teachers' views in regard to this question and time spent discussing current economic events in the classroom is necessary to extend this analysis.

Ryba¹ writes in this regard with specific reference to problem-solving linked to an example of theoretical knowledge of division of labour.

The value of the problem-solving approach is greatest where the problems tackled are based on real situations within the experience of the pupils. Every area, for example, has at least one local industry on the basis of which a problem approach to the division of labour can be worked out at an elementary level, without the usual recourse to Adam Smith's example of pin-making. Thus in a furniture-manufacturing district, an examination of the way in which a chair or table is made by hand can be followed by the pupils' or students' own attempts to devise a suitable division of labour to increase production. An examination of their solutions would then form the basis of an analysis of its advantages and disadvantages (1989:226).

The table below compares the responses of questions 3 and 4 and shows that 79% of

CED and 53% of HOR respondents believe that teachers spend considerable classroom time discussing current events. Respondents also agree that theory must be applied to real economic situations. On the other hand the 'neutral (3) to SA/A (4)' group of respondents agree with application of economic theory to real situations but are not sure whether teachers spend classroom time doing this.

TABLE : COMPARISON OF CHANGE OF RESPONSES FROM Q3 TO Q4²

	n=19	n=17	N=36
RESPONSE	CED	HOR	TOTAL
Unchanged	53%	41%	47%
SA/A (3 and 4)	79%	53%	67%
Neutral (3) to SA/A (4)	11%	18%	29%
D/SD (3) to SA/A (4)	1%	29%	17%

Five HOR respondents and one CED respondent changed their responses from being in disagreement (D/SD) with question 3 to being in agreement (SA/A) with question 4. They presumably believe that little time is spent discussing current economic events in the classroom, but agree that pupils should be encouraged to develop the ability to apply theory to reality. This raises the issue of whether economics teachers fail to apply theory to current economic problems in classroom economics. For example, inflation, the types of inflation, their causes and potential solutions can be studied without reference to inflation in the South African economy. However, it is made more relevant when related to the pupils' own experience of the impact of rising prices and being able to buy less for their money.

MB
The planners of an introductory course for economics in a secondary school in England agree that economics teaching must be related to the real world.

Clearly, real world, topical issues are relevant ... The course offered attempts to link the basic thinking ... with real-world problems drawn from the students' local experience and their knowledge of national problems. This happens throughout the ... course (Jarvis, 1986:13).³

The syllabus states under the approach to economics that it "can and must be presented as a living subject ..." (1983:2). This can be achieved by developing mastery of skills and applying them to real-world situations rather than memorisation of content for its own sake.

... there is now general acceptance of the need to construct courses in which the mastery of basic concepts and techniques, the development of intellectual skills and the development of values and attitudes takes precedence over the mere

acquisition of factual knowledge ... What is being advocated is not the abandonment of factual knowledge but the abandonment of fact memorisation for its own sake (Ryba, 1989:220).

This is particularly vital if true communication and meaning is to be given to the subject for the large number of pupils who take it merely because of the structure of a school's subject choice, or because they are unable to cope with subjects such as mathematics and/or physical science. It does not remove difficulties with regard to teaching the more abstract sections of the syllabus but it ensures a greater relevance of the subject to the lives of the pupils. It is also likely to play a large role in altering the attitude of pupils to economic systems and their values (general objective four). Considering the present content of the syllabus and the training of most teachers, this will result in greater sympathy towards capitalism.

The purpose of economics teaching and the achievement of particular goals

5. **It is not essential for pupils to acquire knowledge of basic economic principles.**

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	0%		0%		0%	
A	11%	11%	0%	0%	6%	6%
N	11%		6%		8%	
D	11%		29%		19%	
SD	68%	79%	65%	94%	67%	86%
	100%		100%		100%	

Three CED respondents (11%) do not believe it necessary for pupils to acquire basic economics principles. Perhaps some of these respondents misread the statement? As this is a matter of acquiring basic economics knowledge it seems inappropriate that three respondents (8%) have no opinion in this regard. It is possible that the approach towards examinations has had an influence on leading these respondents into discarding the teaching of principles for the memorisation of content in order for their pupils to achieve acceptable results. It is difficult for any subject to make sense unless its basic principles are fully understood. It seems from the five teachers who either do not believe in the necessity of basic principles or do not have an opinion in this regard that the alternative could be that of rote learning, and the content taught could then be largely meaningless to their pupils.

TABLE : COMPARISON OF CHANGE OF RESPONSES FROM Q5 TO Q8⁴

	n=19	n=17	N=36
RESPONSE	CED	HOR	TOTAL
Unchanged	16%	1%	11%
SD (5) TO SA (8)	21%	0%	11%
SD/D (5) TO SA/A (8)	42%	47%	44%
SD/D (5) TO SD/D (8)	26%	29%	28%
Neutral (5) TO SD/D (8)	1%	1%	1%
SD/D (5) TO NEUTRAL (8)	11%	18%	14%

The previous table compares the responses to question 5 with those to question 8. The fact that 44% of respondents who 'strongly disagreed' or 'disagreed' with question 5 also 'strongly agreed' or 'agreed' with question 8 lends support to the view that although they believe it essential for pupils to acquire knowledge of basic economic principles they are also of the opinion that many teachers resort to teaching pupils to learn by rote. The 28% of respondents who 'strongly disagreed' or 'disagreed' with question 5 and 'strongly disagreed' or 'disagreed' with question 8, on the other hand, reveals that a significant number of teachers do not regard themselves as teaching pupils to learn by rote when teaching basic economics principles. It cannot be concluded, however, that this happens in practice nor does it explain to what extent pupils might learn by rote or not.

6. School Economics pupils are enabled to develop the ability to read and understand statistical and other data.

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	0%		24%		11%	
A	47%	47%	24%	48%	36%	47%
N	11%		6%		8%	
D	26%		47%		36%	
SD	16%	42%	0%	47%	8%	44%
	100%		100%		100%	

This statement is a requirement of particular objective seven. Nearly 44% of respondents either 'disagreed' or 'strongly disagreed' that this ability was being achieved. This response needs further investigation, for if it is reflected in practice, then pupils are not being taught a vital skill as statistical and other data are widely used and misused in the

world of economics. Pupils who have little understanding of such data will be disadvantaged in society as they will be unable to determine the truthfulness of information presented to them. The response was not entirely unexpected since personal classroom experience and discussion with other teachers suggests that the composition of the economics classes is a possible reason for this state of affairs.

One of the problems faced by the teacher is that many economics pupils do not take mathematics and/or have an extremely negative attitude to their ability in this field. In some schools pupils drop mathematics in order to take economics. The result is that pupils find it difficult to cope with statistics.

Four of the six teachers who were 25 years and younger consider that pupils are being taught this ability. This might reflect an attitude developed through more recent teacher training or inexperience about what happens more generally in economics classrooms. Further investigation into classroom practice would enable more adequate conclusions in this regard.

7. Memorising of economic definitions and laws for its own sake is to be discouraged.

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CE	ED	HO	OR	TOTAL	
SA	32%		41%		36%	
A	42%	74%	29%	70%	36%	72%
N	5%		12%		8%	
D	16%		12%		14%	
SD	5%	21%	6%	18%	6%	20%
	100%		100%		100%	

Laws in economics are intended to express essential economic principles and teaching and to explain possible reasons for economic phenomena. These should assist the economics student in problem-solving activities, model building, and understanding of economic theory. In one sense the statement presented to respondents assumes that the memorisation of, for example, the laws of demand and supply, diminishing returns, Gossen, and many others, is not necessarily a bad practice in itself. However, the question was aimed at identifying whether mere memorisation was considered undesirable or not. The responses indicate that a small group of teachers do not regard rote learning as a problem, and it is possible that these teachers do not consider it particularly important to be able to use these laws in problem-solving exercises. Do they talk about the real world without relating its events to economic laws and teaching? Analysis of the ages of these

teachers shows that none are younger than 26 years of age and that five of these six respondents fall in the age group of 26 to 35 years. This could indicate the development of a more favourable attitude towards a process approach to teaching. In this instance, as in all others, there is no significant difference between the attitudes of men and women teachers.

The majority of respondents (72%) either 'agreed' or 'strongly agreed' that memorising of definitions and laws for its own sake should be discouraged. The questionnaire did not attempt to determine the extent to which these teachers carried this out in practice. The development of understanding, and thinking skills is, however, often considered to be one of the casualties of pressure on teachers to produce acceptable examination results. Ryba comments that:

Many teachers, while favouring in principle the newer teaching approaches and the objectives that they serve, nevertheless feel bound by this pressure to teach the more factual material, and in more prosaic ways than they would like (1989:233).

8. Many teachers resort to teaching pupils to learn Economics by rote.

This question needs to be examined together with the responses to the previous questions about classroom practice in which the majority of teachers are against memorisation of content. These teachers view it important to apply theory to the real world, develop understanding and the ability to think through economics issues. However, the 53% of respondents who are in agreement that economics teachers resort to teaching pupils to learn by rote indicates a view which is contrary to this. Pressures, such as good examination results, influence the practice of teachers and pupils alike and often lead to the discarding of ideals. The attitude of schools to economics and the fact that many pupils take it as a 'last' or 'soft' option leads to the rote learning option which is often considered adequate for examination success. This occurs particularly where recall of facts plays a large role in examination questions (as discussed in Chapter One).

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CE	ED	HO	R	TOTAL	
SA	21%		0%		11%	
A	32%	53%	53%	53%	42%	53%
N	21%		18%		19%	
D	16%		18%		17%	
SD	11%	27%	12%	30%	11%	28%
	100%		100%		100%	

The questionnaire did not attempt to investigate the practice of teachers in regard to rote learning but merely concentrated on their views in respect of the matter. It would be interesting to investigate the attitude of pupils and determine whether a process rather than a product-based approach adopted by the teacher has any significant impact on pupil practice.

TABLE : COMPARISON OF CHANGE OF RESPONSES FROM Q7 TO Q8^e

	n=19	n=17	N=36
RESPONSE	CED	HOR	TOTAL
Unchanged	37%	41%	39%
SA/A (7 and 8)	42%	41%	42%
SA/A (7) to SD/D (8)	11%	18%	28%
SD/D (7 and 8)	26%	29%	28%
SA/A (7) to neutral	1%	1%	1%

In the previous table 42% of respondents are in agreement (SA/A) that memorisation of economic definitions and laws for its own sake is to be discouraged but believe that many teachers resort to teaching pupils to learn by rote. Two of the CED and three of the HOR respondents feel (SA/A) that the memorisation of economic definitions and laws for its own sake is to be discouraged and do not agree that many teachers resort to teaching pupils to learn by rote. 28% of respondents disagree with both questions, indicating that they agree that learning economic definitions and laws for its own sake is to be discouraged but do not agree that many teachers resort to teaching pupils to learn by rote.

It is difficult to understand fully the patterns in these correlations, but there is a fairly strong belief (42%) that rote learning is encouraged by teachers and practised by pupils to achieve successful results. The nature of economics theory should counter this approach through the application of abstract theory to practical problems but the manner in which content is selected for the core syllabus provides substantial cause and opportunity for rote learning. Problem-solving and other thinking skills are likely to be neglected if this opinion about rote learning is true of classroom practice.

9. Teachers spend considerable classroom time emphasising the practical usefulness of Economic Theory.

The intention of teaching economics theory and model building is to enable its use as a tool of analysis even though such models may not exist in the real world. This statement was included in the questionnaire to determine the extent to which economics teachers identified the need to apply economic theory in a practical manner so that pupils within

classrooms will be able to comprehend the reasons for learning it. This rejection or acceptance of economics theory by pupils would depend on the extent to which it is considered useful.

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	5%		6%		6%	
A	42%	47%	29%	35%	36%	42%
N	26%		29%		28%	
D	26%		29%		28%	
SD	0%	26%	6%	35%	3%	31%
	100%		100%		100%	

47% of CED and 35% of HOR teachers believe that substantial classroom time is spent emphasising the practical usefulness of economics theory. Five of the six teachers who are 25 years and younger are included in this group. However, 31% of all respondents believe this is not happening which makes sense in view of the large number of teachers who adopt a favourable attitude towards memorisation of content for its own sake.

TABLE : COMPARISON OF CHANGE OF RESPONSES FROM Q7 TO Q9⁶

	n=19	n=17	N=36
RESPONSE	CED	HOR	TOTAL
Unchanged	1%	24%	14%
SA/A (7 and 9)	26%	24%	25%
SA/A (7) to SD/D (9)	21%	24%	22%
SD/D (7 and 9)	1%	1%	1%
SA/A (7) to Neutral	26%	18%	22%
SD/D (7) to SA/A (9)	16%	1%	11%

25% of respondents strongly agreed or agreed that memorising of economic definitions and laws for its own sake was to be discouraged and that teachers spent considerable classroom time emphasising the practical usefulness of economic theory. 22% of respondents strongly agreed or agreed that memorising of economic definitions and laws for its own sake is to be discouraged but strongly disagree or disagree that teachers spend considerable classroom time emphasising the practical usefulness of economic theory. 22% of respondents were in agreement that memorising of economic definitions and laws for its own sake was to be discouraged but were neutral in their response as to whether

teachers spend considerable classroom time emphasising the practical usefulness of economic theory. 16% of CED respondents 'strongly disagree' or 'disagree' that memorising of economic definitions and laws for its own sake is to be discouraged and 'strongly agree' or 'agree' that teachers spend considerable classroom time emphasising the practical usefulness of economic theory. The latter group of teachers, it may be hypothesised, accept rote memorisation of economic definitions and laws but also believe that classroom time is spent in application of these principles.

TABLE : COMPARISON OF CHANGE OF RESPONSES FROM Q8 TO Q9'

	n=19	n=17	N=36
RESPONSE	CED	HOR	TOTAL
Unchanged	16%	18%	17%
SA/A (8 and 9)	21%	12%	17%
SA/A (8) to SD/D (9)	16%	18%	17%
SD/D (8 and 9)	0%	18%	8%
SA/A (8) to Neutral	16%	24%	19%
SD/D (8) to SA/A (9)	26%	12%	19%

21% of CED and 12% of HOR respondents (Total = 17%) 'strongly agree' or 'agree' that many teachers resort to teaching pupils to learn economics by rote but that teachers spend considerable classroom time emphasising the practical usefulness of economics theory. A further 17% of respondents 'strongly agree' or 'agree' that many teachers resort to teaching pupils to learn economics by rote but 'strongly disagree' or 'disagree' that teachers spend considerable classroom time emphasising the practical usefulness of economics theory. 18% of HOR respondents 'strongly disagree' or 'disagree' with both questions. 16% of CED and 24% of HOR respondents (Total = 19%) 'strongly agree' or 'agree' that many teachers resort to teaching pupils to learn economics by rote but have no opinion as to whether teachers spend considerable classroom time emphasising the practical usefulness of economics theory. 26% of CED and 12% HOR respondents (Total = 19%) 'strongly disagree' or 'disagree' that many teachers resort to teaching pupils to learn economics by rote and 'strongly agree' or 'agree' that teachers spend considerable classroom time emphasising the practical usefulness of economics theory.

The responses to statements in this section of the questionnaire indicate the possibility of some unhealthy learning practices in a fairly widespread range of classrooms. Those teachers who adopt a product-based approach to economics are likely to ignore a large number of the syllabus objectives and statements on the official approach to the

subject. The syllabus states specifically: "Economics must not be approached and regarded purely as an abstract subject. The mere memorising of definitions and laws must be strongly discouraged because it is educationally unsound and complicates the subject." The product-based approach adopted by some teachers may be intended to simplify teaching, but as the syllabus states, it makes economics more difficult to understand and learn. Unfortunately the syllabus gives little or no advice as to how these ideals are to be achieved; and the teacher is left to develop an individual approach, consult colleagues, or depend on textbooks.

The adoption of healthy learning processes in the classroom is important in the development of proper understanding and application of the content taught. Such an approach assists in creating a dynamic and living high school subject in which pupil values attitudes and lives are influenced. Learning is more likely to occur for its own sake and not merely for the passing of examinations. There is a need for further research into how these patterns can be changed in order to encourage a more process-based approach to teaching economics.

The importance and influence of content, textbooks and examinations

Textbooks

11. *It is important to use several texts (textbooks and other reference books) to develop a broad understanding of Economics.*

The assumption made when designing this question was that it was more likely that teachers who used more than one source of information might assist their pupils to develop a broader understanding of economics. It was made on the basis that controversy exists in the interpretation of even simple economic events and policies.

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CD		HOR		TOTAL	
SA	26%		41%		33%	
A	58%	84%	53%	94%	56%	89%
N	11%		6%		8%	
D	0%		0%		0%	
SD	5%	5%	0%	0%	3%	3%
	100%		100%		100%	

The fact that most respondents were in agreement with the importance of using several texts is a positive factor which should assist in contributing to dynamic teaching if this is carried out in practice. However, this may well not be so, as pupils often only have one textbook in their possession and teachers are also sometimes restricted by lack of access to alternative texts that can be applied to the syllabus.

12. Economics pupils are taught to rely heavily on the prescribed textbook because of examination requirements.

The responses in the table which follows indicate the belief of many teachers that the textbook (in particular Swanepoel et al (1983, 1984, 1985)) plays a major role in determining what is taught. Such a belief, whether correct or not, is likely to lead to practice that is generally not in the interest of a dynamic approach to economics.

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	47%		53%		50%	
A	37%	84%	29%	82%	33%	83%
N	5%		6%		6%	
D	5%		6%		6%	
SD	5%	10%	6%	12%	6%	12%
	100%		100%		100%	

If statistical data alone is considered, then any textbook which is used for a number of years will create false impressions amongst pupils. Information needs to be up to date, relevant, and reflect current thinking in the subject in order to assist learning and the use of what is being taught in realistic problem-solving exercises.

Examinations

13. Economics examiners accept all relevant data in examinations, regardless of whether it appears in the official textbook or not.

This links with the previous question and the responses indicate something about the reasons why textbooks are viewed as important and possibly why they are memorised by rote.

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	21%		12%		17%	
A	26%	47%	35%	47%	31%	48%
N	26%		24%		25%	
D	16%		18%		17%	
SD	11%	27%	12%	30%	11%	28%
	100%		100%		100%	

The table indicates that more than half the teachers concerned in this research either do not believe that or are not sure whether examiners accept all relevant economics data.

Many of the problems linked with this statement could be resolved by making the Senior Certificate examination memoranda available to schools. This would have an affect on practice within schools with regard to Standards Eight, Nine and Ten.

In the questionnaire teachers were also asked: *"It is common practice for Senior Certificate Examinations in economics to follow the approved textbooks closely. Would you like this practice to be changed?"* The respondents were requested to answer 'yes' or 'no' to this question. When the results were analysed the category 'disagree' was added as some teachers expressed their disagreement with the statement that the Senior Certificate examinations in economics followed the approved textbooks closely.

TABLE OF RESPONSES

	YES	SOMETIMES	DISAGREE
CED (n=18)	56%	33%	11%
HOR (n=17)	88%	12%	0%
TOTAL (N=35)	71%	23%	6%

The results of the responses indicate that an overwhelming number of teachers believe that the textbook does play a dominant role in Senior Certificate examinations. It is significant to note that 88% of HOR respondents indicated that they would like this situation to be changed. 33% of CED respondents, in this case the largest group, indicated that they would like this practice partly changed. This 'partly' response could be explained by the security which textbooks give to teachers when preparing pupils for an external examination.

That CED teachers feel less strongly about this question is possibly the result of these teachers being part of the dominant culture and, therefore, identifying more closely with current practice. The main problem is that slavish dependence on the textbooks severely limits the body of content regarded as acceptable for the Senior Certificate examination. In view of this belief, the content, approach and interpretation of the syllabus by the textbook of Swanepoel et al (1985) dominates completely the Standard Ten year in most schools.

10. Examination results have an important effect on teaching methods used by Economics teachers.

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	37%		29%		33%	
A	58%	95%	41%	70%	50%	83%
N	0%		12%		6%	
D	5%		18%		11%	
SD	0%	5%	0%	18%	0%	11%
	100%		100%		100%	

95% of CED and 70% of HOR respondents believe that examination results play an important role in teaching methods adopted by economics teachers. This correlates with the importance attached to the Senior Certificate examination in South Africa, and is consistent with one of the conclusions reached by Paxton⁸ in her thesis. She writes:

Examiners of Standard Ten economics must ... consider the affects (sic) they are having on the manner in which economics is being taught. It is essential that they recognise the fact that the final external examination is the main motivating force behind the techniques and strategies used in the economics classroom (1989:182). It is essential that examiners of economics ensure that their papers reflect the qualities which they wish to see taught in schools (1989:183).

Although this extract is pertinent to the Senior Certificate examination, the principle of examinations influencing teaching methods applies to Standards Eight and Nine as well, as indicated by the opinion of respondents in the next question. This approach has a negative effect on the learning process and achievement of syllabus objectives. The examination should reinforce sound learning methods and processes and thereby not merely serve as a tool of evaluation.

14. The content knowledge accepted in examinations in Stds 8 and 9 differs from that which is acceptable in Std 10 because teachers accept more than textbook information

The intention of this question was to identify the extent to which teachers considered the Standard Ten examination as a model for practice in examinations in Standards Eight and Nine. Further information about the structure of such examinations would have improved this analysis.

TABLE : RESPONSE TO STATEMENT

	n=19		n=17		N=36	
RATING	CED		HOR		TOTAL	
SA	32%		12%		22%	
A	26%	58%	47%	59%	36%	58%
N	26%		35%		31%	
D	11%		6%		8%	
SD	5%	16%	0%	6%	3%	11%
	100%		100%		100%	

58% of teachers agree that their schools adopt a different approach in Standards Eight and Nine. In view of the particular objectives and expected syllabus approach to economics it is reasonable to expect that teachers adopt a more flexible approach to examination data in Standards Eight and Nine without compromising results.

The responses to the questionnaire were also used to try to determine whether the practice in the Standard Ten examinations played any significant role in the content taught in Standards Eight and Nine. Teachers were asked the question: "Does the Standard Ten examination affect your teaching in Standards Eight and Nine?" The respondents were asked to answer 'yes', 'sometimes' or 'no'.

TABLE OF RESPONSES

	YES	SOMETIMES	NO
CED (n=18)	39%	11%	50%
HOR (n=13)	69%	15%	15%
TOTAL (N=31)	52%	13%	35%

The responses indicate that 89% of HOR respondents are influenced by the HOR Senior Certificate examination in their teaching of the Standard Eight and Nine years. The impact of the Senior Certificate examination in Standards Eight and Nine appears to be less

significant in the CED, however 39% answered 'yes' and 11% 'sometimes' implying that the impact of the CED Senior Certificate examination is felt in at least half of the CED classrooms in the two years preceding Senior Certificate.

In light of the opinions expressed, the Senior Certificate examination can be considered to play a significant role in the whole of the three year economics curriculum in the majority of classrooms.

Conclusion

Economics teachers need to adopt methods that develop greater interest and have more relevance for their pupils. The low status which is accorded the subject by some educators and the large numbers of academically less able pupils who fill these classes should not detract from this goal and should act as an incentive to the use of current information and dynamic teaching methods.

The importance attached by a number of teachers to examinations could be considered a 'safe' approach, as pupils would then be more likely to pass and fewer questions would be asked by principals, subject advisors, and parents. Teachers, therefore, often consider themselves to be at less risk if they adopt this emphasis. As result, student teachers who enter schools for periods of teaching practice often face severe opposition from the classroom teacher when they initiate a different and more innovative approach. The students are generally expected to be more concerned about maintaining pupil interest, giving enjoyable lessons, and developing an understanding of concepts - which is in direct conflict with the main concern of far too many teachers: good examination results.

Economics teachers need to consider teaching in a manner which relates theory to current events of local, national and international consequence. This would result in teachers using other books and resources in addition to the approved textbook as sources of reference and content. The particular objectives and the core syllabus attitude to high school economics entirely contradicts an approach which relies on the use of one text, content dictated by examination methods, and learning by rote.

Comment on former O-level examinations in business studies in England indicates a more positive direction to follow, which is also generally applicable to classroom economics.

... the O-level is concerned with developing important life skills. It encourages the understanding and the use of both qualitative and quantitative information; it aims to give students relevant experience of the external ... environment; it helps develop important communication skills and improve confidence of students in contact with business and commerce; it helps students build up their own ideas and opinions about the outside world (Chambers, 1986:48).

Wilkinson⁹ writes that

The best guide to a syllabus, and to a subject-matter in particular, is usually the contents of the examination papers ... Teachers differ in their outlook, and in their ability and willingness to teach the subject. Schools differ in the time and financial resources devoted to the teaching of economics ... Even if a precise statement can be arrived at ... it is not necessarily desirable from an educational viewpoint. It is akin to the recommendation of a particular textbook and as such it is soon likely to be in need of modification as well as possibly imposing unnecessary constraints on teachers. Precise syllabuses do not necessarily lead to identical courses, and in many cases it does not follow that courses covering identical subject-matter are necessarily comparable in standard (1989:351).

This chapter has examined the specific objectives of the syllabus and classroom practice based mainly on the opinion expressed in the teacher survey. Although syllabuses spell out the content to be covered, the role of the teacher, textbooks and examinations are particularly influential with regard to classroom practice. The next chapter focuses on the opinion of teachers to the content of the syllabus and the constraints which it imposes on the teaching of economics in the secondary school.

Notes

1. Raymond Ryba is a senior lecturer in education at Manchester University, and director of the Economics Education Project.
2. $r=0,14$. The coefficient of correlation between questions 3 and 4 is fairly weak but it indicates the existence of a relationship between the responses to the questions. The nature of the questions ranked by the respondents is the likely reason for this correlation coefficient.
3. Ray Jarvis is head of economics, Simon Langton Grammar School for Boys, Canterbury.
4. $r=0,06$. This indicates a weak relationship between the responses to questions 5 and 8. The negative statement in question 5 could be responsible for this weak coefficient of correlation.
5. $r=0,34$. This coefficient of correlation indicates a significant relationship between the responses to questions 7 and 8.
6. $r=0,38$. The relationship between questions 7 and 9 is significant. For example, this could indicate that teachers who are against rote memorisation of economic laws and principles would be expected to spend considerable time emphasising the practical usefulness of economic theory.
7. $r=0,3$. There is a significant relationship between the responses to questions 8 and 9.
8. Patricia Paxton is a senior lecturer at Vista University, Port Elizabeth.
9. Roy Wilkinson is a professor of economics at Sheffield University.

CHAPTER NINE

THE TEACHER AND THE CONTENT OF THE SYLLABUS

The previous chapter described the specific objectives and practice within classrooms. This is linked to the syllabus content and the opinions of the teachers who participated in the teacher survey. A description of the strengths and weaknesses of content as indicated in the teacher survey, forms the focus of this chapter. This does not include detail of Standard and Higher Grade but concentrates on the broad outline of the syllabuses. The importance which is given to facts, the development of understanding and problem-solving, and the general approach to syllabus content adopted by the teacher is a powerful factor in the classroom learning process. The teacher can direct learning towards the achievement of the goals of classroom economics or subvert the entire course.

In the research questionnaire teachers were asked to name the two best and two worst sections for standards eight, nine and ten inclusive. However, not all respondents completed two items per section. The questionnaire stated that: the word BEST was used to describe areas of the syllabus which are regarded as necessary for adequate understanding of economics at the particular level specified, and that these sections might well be more enjoyable for both teacher and pupil, although not necessarily so; the word WORST was used to describe those sections that are a problem to teach because of their irrelevance to the needs of the pupil at the particular stage.

Respondents were also asked to comment further on any areas they believed should be withdrawn from or added to the syllabus. Reference is made to comments and suggestions made but this section was not particularly well completed by a large number of respondents. Therefore, the emphasis in this chapter is on the sections of the syllabus listed as 'BEST' and 'WORST' by respondents and any meaningful trends that exist.

Interpretation of Information

The percentages in the tables in this chapter reflect the proportion of that category i.e. 'best' or 'worst', which that section of the syllabus received from respondents. N (and n) is determined by adding all responses together, and candidates were able to include up to two items per category and per standard. A ranking of 50% for a category of the syllabus under 'best' or 'worst' indicates support by all respondents to the particular question. Each respondent was able to rank two items under 'best' and 'worst'.

The interpretation of the data was particularly difficult because not all respondents completed each of the questions. In addition, there was little specific comment as to topics and sections teachers believed should be added to or withdrawn from the syllabus. Some of the suggestions appeared at first to make little sense. For example, some respondents suggested economics be taught without the section on basic concepts in Standard Eight. Other respondents merely indicated that some first year university work should be added to the syllabus, or that the syllabus was already long enough in Standard Ten. The former statement makes sense when the importance attached by some teachers to rote learning is considered, whilst the latter response probably indicates the powerful influence of university training on teachers as well as the pressure on Standard Ten teachers as result of a large syllabus and the need to prepare candidates for the Senior Certificate examination. Some useful indicators do emerge from the data and there is a measure of correlation with the opinion expressed in other parts of the questionnaire, particularly with regard to the general objectives of the syllabus as expressed in the core syllabus, textbooks, and examinations.

The responses are analysed per standard, commencing with Standard Eight.

Standard Eight

The Standard Eight syllabus includes four major topics i.e. introduction and basic concepts, economic systems and stages of development, development of the SA economy, and monetary economics. The fact that no section of the Standard Eight syllabus was ignored, by respondents as a whole, is probably due to the limited size of this syllabus.

TABLE OF RESPONSES: STANDARD EIGHT¹

Syllabus Section	BEST			WORST		
	CED	HOR	TOTAL	CED	HOR	TOTAL
STANDARD EIGHT	n=32	n=31	N=63	n=25	n=31	N=56
Introduction and Basic Concepts	41%	48%	44%	8%	3%	5%
Economic Systems and Stages of Development	16%	16%	16%	36%	35%	36%
Development of the SA Economy	6%	3%	5%	40%	39%	39%
Monetary Economics	38%	32%	35%	0%	6%	4%
Other	0%	0%	0%	16%	15%	16%

'Introduction and basic concepts' is regarded as the highest ranked 'best' section in Standard Eight and attracted 44% of the total number of responses, which means that most teachers included it as one of the two 'best' sections of the syllabus. This sort of response is to be expected as pupils who are beginning a new subject need to be instructed in the 'first knowledge' of a field. However, 8% of CED and 3% of HOR responses were recorded against 'worst' for this section of the syllabus. The motivation for ranking this section, which deals with basic principles and the language of economics, as 'worst' is difficult to understand. The language and basic concepts of a field of study are important to higher levels of study and understanding, and the subject is largely meaningless to a pupil who has no knowledge of this section of the work. Rote learning will be the most likely course of action for pupils who are not taught the importance of basic concepts. Personal experience has shown that proper interpretation of even current news items on economic issues will be difficult for a pupil who lacks a grasp of the language and basic terminology of the subject. A positive attitude by the teacher towards this section of the work is important if the particular objectives of the core syllabus are to be achieved.

'Economic systems and stages of development' received 16% of 'best' responses from both CED and HOR respondents. This section of the syllabus was ranked as second 'worst', attracting 36% of total responses. Therefore, a large number of teachers ranked this as one of the two 'worst' sections of the syllabus. It would appear that much of the information learnt in this section of the syllabus has relevance when comparisons are made with SA economic history. However, the general approach is to view it entirely as European economic history and development and so its relevance is diminished. An HOR teacher wrote aptly: "Ekonomiese stadiums van ontwikkeling ... moet nie weggelaat word nie, maar aangepas word." The teacher has the power to make this section of the work relevant and interesting. This is particularly important in South Africa at present, as the economic system is being challenged and re-evaluated by trade unions, political parties and others.

The identification of the 'development of the SA economy' as the worst section, by attracting 39% of total responses is to be expected in view of the 'white' historical viewpoint which is expressed in the textbooks and the predominance of Afrikaner symbols. It is significant that it attracted as many as 40% of responses from CED teachers. A small number of teachers regarded this as one of the two 'best' sections of the syllabus. Although a number of teachers felt that this section should be withdrawn from the syllabus it appears that it is mainly the manner in which this historical aspect of the syllabus is approached which is problematic. One HOR teacher comments: "It is not a question of withdrawing sections of the syllabus but rather the overall approach." Whilst a CED teacher wrote bluntly: "The Jan van Riebeeck stuff - again!!" A large group of teachers

find the inclusion of particular historical work unnecessary. However, the teacher can introduce an alternative approach in the classroom; and also avoid reducing the historical aspects of economics to lists of facts for rote memorisation and recall in examinations.

'Monetary economics' attracted no 'worst' responses from CED teachers and only 6% of such responses from HOR teachers. The fact that monetary economics attracted 35% of the total number of 'best' responses shows that most teachers believe it is an important part of Standard Eight school economics. This work is seen as particularly acceptable to CED teachers who accorded it 38% of their responses. One HOR teacher felt that this work should be taught in Standard Nine, together with the monetary economics which is presently part of that syllabus. Teachers regularly highlight the need to teach the syllabus in topics/modules in a single year rather than split the topic over a number of standards. This type of comment is relevant to other sections of the syllabus as well. The problem of work that should be done in sequence being split up, can largely be overcome by adjusting the workscheme for the classes and being flexible in following of the syllabus. Teachers can bring about changes in this regard as examinations are set internally for Standards Eight and Nine.

The section 'other' for Standard Eight, includes a number of sub-sections of the syllabus which only received 'worst' rankings. None of these items received any substantial support. 'Other' includes methods of research (5%), banks and financial institutions (4%), history of banking (5%), and the industrial revolution (2%). None of these items received any substantial support. It is reasonable to expect that even highly relevant sections of work will include aspects that seem irrelevant to some people. For example, monetary economics received a substantial 'best' ranking, and yet banks and financial institutions together with the history of banking are ranked as 'worst' under 'other' and makes up most responses in this section.

Standard Nine

The Standard Nine syllabus includes five major topics i.e. demand and consumption, supply, markets and price formation, production of economic goods and services, and monetary economics. As with the responses to the Standard Eight syllabus most sections were included in the overall responses of the teachers to the questionnaire. The topic 'supply' was included as a separate section but is seen by teachers as an integral part of price formation, although it is directly linked to production. The strong opinion with regard to the sub-section 'forms of enterprise' results in it being included as a separate section in this analysis.

Teachers usually find that a different approach has to be adopted in the teaching of price formation, and that understanding is essential as it is extremely difficult to learn this section of the syllabus by rote. Understanding is usually essential for the pupils to be able to answer most examination questions on this topic. Personal experience has shown that pupils usually enjoy this section of the syllabus, and that this work can be used by the teacher to develop a process-based approach to classroom learning. Initiative has to be taken by the teacher in order to avoid mere memorisation and recall of this work by pupils in examinations.

'Production of economic goods and services' received only 12% of 'best' responses whilst 28% of 'worst' responses. This section of work deals with the four factors of production, production, division of labour, forms of enterprise etc. and tends to be mainly content based. The textbook approaches this section from a factual base which generally results in pupils learning the work by rote. The response of the teachers, especially the 32% of CED 'worst' responses, indicates that a large group of teachers regard this work as irrelevant to Standard Nine pupils. One teacher wrote: "Factors of production - too much detail - should be shortened". A fair amount of this section could be included in the Standard Eight work dealing with basic concepts. Other sections of this work, such as forms of enterprise, are essentially more appropriate in a business economics syllabus because of its direct application to the firm.

'Monetary economics', which was ranked as 'best' by a large number of teachers in the Standard Eight syllabus only received 11% of total responses under 'best' in Standard Nine. 21% of total responses were recorded against 'worst' and it appears that the extent of repetition of Standard Eight work as well as some of the outdated concepts that are dealt with are viewed as irrelevant, by a substantial number of teachers, for the Standard Nines. A CED teacher wrote: "If banking done in Standard Eight - no need for repetition in Standard Nine." Another teacher believed that the characteristics, advantages and disadvantages of the gold standard as well as the quantity theory of money of Irving Fischer should be withdrawn from the syllabus. Consideration should be given to withdrawing outdated theory and content from the syllabus. However, the teacher can use theories to teach pupils about the construction and use of economics models.

Although 'forms of enterprise' are included in the section on production, a number of teachers viewed this work as irrelevant to the Standard Nine syllabus. CED teachers felt more strongly in this regard and made up 24% of CED 'worst' ratings. If the 19% of total responses recorded against this section are added to the 28% under 'production of

economic goods and services' then it is seen that 45% of 'worst' responses are recorded against forms of enterprise. Most of the respondents who completed items under this section of the questionnaire regard this section of the syllabus as irrelevant to economics.

A substantial number of teachers mentioned that they believed this section should be removed from the syllabus.

The section 'other' includes a number of sub-sections of the syllabus that received very low rankings by respondents. The rating 'best' includes demand and supply (5%) which further supports the popularity of the section on price formation; inflation (3%); and division of labour (2%). The rating 'worst' includes value and utility (6%) which involves fairly abstract concepts that are difficult for academically weak pupils to grasp; division of labour (2%); classification of productive activities (2%); the history of banks (2%); reasons for imperfect markets (2%); and market functions (2%). No single item received any substantial support from respondents.

Standard Ten

The Standard Ten syllabus includes seven major topics i.e. the subject economics, remuneration of the factors of production, national income, the present economic structure of South Africa (including mainly agriculture, mining, industries, transport and communication), international economics, the state, and economic topics (water, pollution, labour organisation).

The influences and pressures on Standard Ten teachers and pupils are also more numerous. The extensive nature of most Standard Ten syllabuses and the expectations of teachers, pupils, parents and society play a considerable role in the attitudes and practice which result. The uncertainty of the examination and the practices which are peculiar to this standard should not be ignored when the responses of the teachers to the questionnaire are analysed.

The responses to the Standard Ten syllabus are distributed more widely than those with regard to the Standard Eight and Nine syllabus. This is partly due to the increased size of the course as well as the aforementioned influences. This adds to the difficulties experienced in analysing the responses concerned. However, each major topic of the syllabus is covered in the responses of the teachers concerned.

TABLE OF RESPONSES: STANDARD TEN¹

Syllabus Section	BEST			WORST		
	CED	HOR	TOTAL	CED	HOR	TOTAL
STANDARD TEN	n=32	n=24	N=56	n=26	n=22	N=48
Subject and Scope of Economics	0%	4%	2%	15%	18%	17%
Remuneration of the Factors of Production	13%	21%	16%	8%	14%	10%
The State	31%	33%	32%	0%	5%	2%
National Income	22%	8%	16%	15%	23%	19%
Present Economic Structure of SA	6%	0%	4%	19%	18%	19%
International Economics	16%	8%	13%	12%	18%	15%
Economic Topics	3%	13%	7%	23%	0%	13%
Other	9%	12%	11%	8%	5%	6%

The section of the syllabus dealing with 'the subject and scope of economics' received only 2% of total 'best' responses. 17% of 'worst' responses were recorded against this section. Although the defining of the field of study of a subject is usually regarded as relevant, the inclusion of this work in Standard Ten is probably seen as irrelevant by these teachers because it has already been fully dealt with in Standard Eight in the introduction to the subject of economics. Many teachers do not believe there is any valid reason for its re-inclusion in the Standard Ten syllabus.

'Remuneration of the factors of production' received 16% of total 'best' responses and 10% of total 'worst' responses. A slightly greater proportion of teachers rank this section as one of the two 'best' sections than those who rank it as one of the two 'worst' sections. A couple of teachers felt this section should be withdrawn from the syllabus but in general terms there is no particularly strong opinion for its inclusion or exclusion from the syllabus. Much of what is included deals with basic principles and could be included with the sections dealing with factors of production in Standard Nine or even Standard Eight. The section dealing with labour problems could be included under economic topics with trade unions as the issues are directly related to each other. The position of the theories, such as Ricardo's theory of rent, in the syllabus should be reconsidered. Some teachers believe these theories are irrelevant and outdated and, therefore, have no place in the school syllabus. However, the approach which is adopted in these theories is essential to much of the theory of post-school economics courses and particularly with regard to micro-economics. The manner in which economic theories are

used in the solution of economic problems is indicative of the philosophy and method of modern economics. Teaching about the use of economic models and theory is a particularly weak aspect of the present syllabus.

The **'state'** was ranked among the two **'best'** sections of the syllabus by a large number of teachers and received nearly the same proportion of responses from both CED and HOR teachers. This section of the syllabus received 32% of total **'best'** responses, no **'worst'** responses from CED teachers, and only 5% of **'worst'** responses from HOR teachers. The **'state'** received the highest proportion of **'best'** rankings of any single section of the syllabus. This work deals mainly with economic systems, functions of the state, the role of the state in production, taxation, and the state budget.

This section of the syllabus is particularly relevant and can be related constantly to news items, and the experiences of pupils, family, and friends. The Senior Certificate examinations are unfortunately unable to question specific aspects of the current state budget because the examination papers are set before the budget speech of the Minister of Finance, which is read towards the end of March of each year. Criticism of the section on the **'state'** usually revolve around the emphasis on capitalism, and the little and particularly negative manner in which socialism and communism are viewed, the out of date nature of some of the textbook data, as well as the failure of examinations to include relevant questions on the budget. The teacher can nevertheless use this section to teach the use of statistics, the application of theory to current issues, reinforce basic concepts, teach practical facts about taxation, develop problem-solving and other life skills.

'National income' received 22% of **'best'** responses from CED teachers and only 8% from HOR respondents. This same pattern is evident in the **'worst'** responses where this section of the Standard Ten syllabus received 15% of CED and 23% of HOR responses. A greater proportion of HOR than CED teachers, therefore, feel that **'national income'** is not relevant to the needs of Standard Ten economics pupils. Personal experience has shown that many pupils find the concepts relevant to national income difficult to grasp. This may well be the reason why a number of teachers ranked this work amongst the two **'worst'** sections of the syllabus. The difficult nature of the concepts is not reason for regarding the work as irrelevant. However, only a few teachers wrote that they believed this section should be withdrawn from the syllabus. The concepts taught play a vital role in economics and the interpretation of data relevant to the wealth and welfare of nations and individual citizens, and approaches to its measurement. A Standard Ten pupil who has grasped these concepts is better able to understand media articles dealing with these issues, and is able to detect the incorrect usage of **'national income'** data.

'The present economic structure of South Africa' received mainly 'worst' responses from respondents. 'Worst' responses by HOR and CED teachers are nearly the same proportion and total 'worst' responses amount to 19%. No HOR teachers rank this section of work as 'best' and only 6% of responses by CED teachers rank this work amongst the two 'best' sections of the syllabus. The negative reaction to the relevance of this aspect of the syllabus is consistent with the attitude in Standard Eight towards South African economic history. The syllabus and the textbooks in particular reveal a bias which is unacceptable to many teachers and pupils. More worthwhile aspects of this part of the syllabus are unfortunately rejected with the rest of this section. Current economic structure of South Africa could also probably be dealt with more fruitfully in Standard Eight or Nine. It would probably be more appropriate to deal with economic problems as separate topics and then to apply them to the SA economy. In this manner the 'white Afrikaner symbolism' which is so prevalent in this section in the interpretation of the syllabus and textbooks, could be more easily avoided.

The extent to which respondents reject this section of the syllabus appears to contradict the acceptance of general objective two by most respondents. Respondents accept the idea of a national emphasis in the syllabus. However this emphasis generally displayed the acceptance of a broad South Africanism rather than the narrow reflection of white Afrikaner symbolism found in the sections of the syllabus dealing with SA economic history and the structure of the economy. The lack of support for this section of the syllabus shows something of the manner in which a key element (nationalism) of CNE is simply undermined by itself. The failure to study the SA economy from an acceptable economics basis undermines the teaching of understanding of economic problems, the solving of such problems, the relating of economic theory to real situations and other aspects of the particular objectives as well as the recommended approach to classroom economics as outlined in the core syllabus (1983).

Only 13% of total respondents ranked 'international economics' amongst the two 'best' sections and this section of the syllabus attracted 15% of total 'worst' responses. There are differences in attitude between CED and HOR teachers as 16% of CED responses supported international economics as 'best' and only 8% of HOR responses. This same pattern is evident under 'worst' responses where 18% of HOR responses rank this topic amongst the two 'worst' and 12% of CED responses do likewise. HOR teachers are less supportive as to the relevance of this topic to Standard Ten pupils. There is little evidence as to the reasons for this attitude but the inclusion of out of date theory and historical aspects of international economics could well be the reason for the nature of the responses. For instance, a teacher wrote that "wisselkoerse - goudstandaard, Brettonwoods-stelsel ens., should be withdrawn from the syllabus." This attitude about the relevance of the Brettonwoods system was supported by another respondent. This

stands to reason as the floating exchange rate system is that which is most prevalent in practice worldwide today, although the fixed parity system is still used by some countries in determining the exchange rate of their currency. Another teacher wrote that "... slegs sekere gedeeltes moet weggelaat word", although he did not specify which sections.

The section dealing with comparative cost advantages as reasons for international trade is over-simplified and the theoretical aspects of the approach of the textbooks is disputed by some teachers (pers. com, 1990).

'Economics topics' received the greatest number of 'best' responses from HOR teachers and no 'worst' responses from this group. 23% of CED responses were scored against 'worst' in this instance which means that a fairly large number of these teachers regard this section as irrelevant to Standard Ten pupils. 13% of HOR and only 3% of CED responses were scored against this section of the syllabus as 'best'. This section of the syllabus includes three topics i.e. water, pollution and labour organisation. The reasons for the rankings are hard to determine as no comment was made by respondents in this regard. Labour organisation and pollution are more important economic topics than water schemes which is more appropriate to a subject such as geography. The nature of some of the factual content of the syllabus is a possible reason for the extent of 'worst' ratings by CED teachers. Teachers can develop social awareness and a broader perspective of the real world through the manner in which these topics are taught.

The section 'other' includes a number of sub-sections of the syllabus which received relatively low rankings from respondents. The rating 'best' includes trade unions (4%), taxation (5%), economic systems (2%). Taxation and economic systems are both part of the section on the state and further reinforce the positive attitude to the relevance of this section of the syllabus. The rating 'worst' includes theories (2%), exchange rates (2%) and SA trade policy (2%). Exchange rates and SA trade policy are part of international economics and further add to the negative ranking given this section of the syllabus. It is surprising that more respondents did not list theories as 'worst' as some of the teachers indicated that these should be withdrawn from the syllabus as they were largely irrelevant to modern economic events.

Conclusion

Although some areas of the syllabus are regarded as irrelevant by many teachers there is a strong indication that much of the problem with school economics concerns teaching methods, the textbooks, and examinations. A CED teacher wrote: "I have no problem with the subject matter covered, but I do believe the approach to teaching and testing, prescribed to a large extent by our present exam/textbook system should alter. In fact I have done so in Standards Eight and Nine but the extent to which it is done is limited by the Standard Ten system."

An HOR teacher writes: "Sometimes I feel that the Standard Eight syllabus is" very different "from the Standard Ten syllabus" and that "certain work done in Standard Eight is not required in Standard Ten. Yet in Standard Ten in such a short time you are expected to introduce ... completely new concepts and terms. ... Does the pupil have a real understanding of the concepts and know how to apply it in everyday life after the final ... exam? ..."

Any change of the core syllabus which is considered needs to be done after carefully taking into account economics philosophy as well as considering the product/process debate. Cosmetic changes to the syllabus cannot be considered as real change. All aspects of the economics curriculum should be part of the process if change is to have any meaningful effect.

The final chapter focuses on issues relating to the remaking of the curriculum. It examines the fact that economics, together with other subjects, is part of an invented tradition. Only by understanding this tradition and by formulating sound objectives to be carried out by teachers can real change occur in the economics curriculum.

Notes

1. The percentages in the tables reflect the proportion of times that respondents listed these sections of the syllabus. Total = All respondents i.e. CED plus HOR. Percentages do not always add to 100% as result of rounding off. The section 'other' includes numerous subsections of the syllabus, and individual items which received a small amount of support from respondents as a whole.

CHAPTER TEN

REMAKING THE ECONOMICS CURRICULUM

Remaking of the curriculum of classroom economics would result in substantial change in the areas of syllabus aims and content, texts, classroom practice and assessment. Such a remaking of classroom economics should consider that economics, like other school subjects, is a body of knowledge which has been brought into existence over the last few centuries, its boundaries having been established largely since the eighteenth century work of the classical economist Adam Smith. Economics was only introduced into the secondary school curriculum relatively recently, during the 1970s in South Africa.

School subjects are essentially a particular selection of knowledge that has been created by man. Western economics is such an invented tradition which began with the "historic past" of Adam Smith through to the positive economics of today. Hobsbawn (1985) writes that...

Invented tradition is taken to mean a set of practices, normally governed by overtly or tacitly accepted rules and of a ritual or symbolic nature which seek to circulate certain values and norms of behaviour by repetition, which automatically implies continuity with the past. In fact, where possible, they normally attempt to establish continuity with a suitable historic past (Goodson, 1988:22).

Goodson uses Hobsbawn's concept of the invented tradition in his study of the history of school subjects. He considers the examples of the invented traditions in music and science. Many characteristics of which are also applicable and make a useful frame of reference when considering the tradition of classroom economics.

Firstly, subject-based music in schools concentrates on 'serious music' rather than 'pop music' which predominates the musical culture of most pupils. The teachers are trained in this tradition and regardless of the fact that 'serious music' is not part of the pupils' musical culture it dominates most school music syllabuses completely. Goodson explains furthermore that 'pop music', which is the popular music of the pupils, is "positively disvalued" in mass education given in our schools because it is not included in the invented tradition of the music taught in schools (Goodson, 1988:20-1). Music is offered as a subject in schools according to a specific definition of the subject, which has evolved over time but which does not take into account the musical culture of the pupils who are expected to take it.

Secondly, he explains that in contrast to classroom music the introduction of science, during the nineteenth century in elementary schools in England, was based on the science of common things. The science of common things proved popular and was generally

understood by all groups in society because pupils could relate to and more readily understand it. The fact that even the lower classes coped well with the subject resulted in negative comment from those who defined school science differently. Soon after a report about this subject, the science of common things, by a British parliamentary committee, chaired by Lord Wrottesley (1860), it was withdrawn from the curriculum of elementary schools. "A watered-down version of pure laboratory science" was introduced about twenty years later in these schools (Goodson, 1988:21-2).

Science, as a school subject, was powerfully redefined to become similar in form to so much else in the secondary curriculum - pure, abstract, a body of knowledge enshrined in syllabuses and texts ... (Goodson, 1988:21).

Goodson clarifies this process of invention when he writes that ...

We are, let us be clear, talking about the systematic 'invention of tradition' in an arena of social production and reproduction, the school curriculum, where political and social priorities are paramount (Goodson, 1988:21).

This principle can clearly be applied to other subjects, such as economics which is described in this dissertation. The practical outworking of the invented tradition which is taught in school subjects can be better understood by examining the development of syllabuses, texts as well as the methods of assessment (e.g. the Senior Certificate examination) which are utilised.

Economics is also governed by a particular body of theory i.e. the "tacitly accepted rules" which are linked with its "historic past", and which indicate certain values and behaviour as described by Hobsbawn (Goodson, 1988:22). Economic analysis is undertaken in terms of this theory and specific methods and rules of procedure and interpretation are applied. For instance, economics is regarded as a science which is governed by a body of laws e.g. the laws of demand and supply. Economists do not generally describe what are correct actions i.e. normative judgements, but explain what will happen given certain conditions. Models are used to describe the likely consequences of, for example, an increase in the money supply. Classroom economics generally follows in the same invented tradition. Internationally accepted economics which is relevant to the culture of the pupil should be selected so that a situation similar to that in the school music curriculum is not reached. Theoretical and abstract work that pupils are unable to grasp will not be included.

Goodson explains, furthermore, that the invented tradition of a subject is described by the written curriculum.

The written curriculum is but the visible, public and changing testimony of selected rationales and legitimating rhetorics of schooling. ... the written curriculum provides us with a testimony, a documentary source, a changing map of the terrain: it is also one of the best official guide books to the institutionalised structure of schooling (Goodson, 1988:16).

Maurice Willatt (1986)¹ writing in Economics Education, a second handbook for economics teachers, explains that it is not possible to avoid "definition and classification" when dealing with different aspects of economics. The real problem is that of ensuring that good and not bad theory is used. The good theory, presumably, is that which is part of the most widely accepted invented tradition i.e. positive economics.

Clearly what is needed is a syllabus that does not ape the less desirable features of many undergraduate courses, steers the students away from the pitfalls of immaturity and towards a body of theory, limited in scope but tied to, and explaining, a quantity of highly significant observed facts. It can be argued - it has been argued - that a radical solution should be adopted, excluding economic theory from the school curriculum, and presenting a body of factual, non-controversial, descriptive material, selected and packaged to suit the tastes and abilities of the students.

But this is not really possible. To start with, a description requires definition and classification. But definition of unemployment, output, money, costs of living, etc. requires complex and important pieces of theory. The selection of topics to be covered rests on theoretical decisions about centrality, stability and importance. Framing of theories is one of the fundamental human activities. A man has a fever. To ask why is an unavoidable reaction. Is it the wrath of some god or witchcraft or the excessive use of spices or excess of blood or bacterial infection? The choice is not between theory and non-theory, but between bad theory and better. A non-theoretical syllabus, 'of bias free of every kind', is delusion (Willatt, 1986:125).

As has been explained in the chapter on the philosophy of economics education, the bias of economics is that of conservative capitalism as found in the west and the belief system which is contained in the texts of Lipsey, Samuelson, Heilbroner and others. This tradition is so powerful that even those who do not hold to this tradition (e.g. students in China) are forced to study its theory and learn its methods so that western economics can be properly understood.

Stonier and Hague write that economists have their own way of looking at the real world i.e. originating from their own tradition.

... the value of economic theory lies in providing a framework of analysis which can be used by applied economists in interpreting facts about the real world (Oliver, 1973:62).

Speight explains something of the peculiarity of the economics tradition, its value system and peculiar techniques.

Economics is not primarily a body of knowledge; it is, as Keynes said, a method rather than a doctrine, an apparatus of the mind, a technique of thinking (Oliver, 1973:66).

This method and technique of thinking forms the basis of the classroom economics curriculum which can be viewed

... as a process of inventing tradition. ... the written tradition is a supreme example of the invention of tradition: but as with all tradition it is not a once and for all given, it is a given which has to be defended, where the definitions have to be constructed and reconstructed over time (Goodson, 1988:22).

The invented tradition of the economics curriculum in South Africa is based on the invented tradition of western economics in this instance. However, economics has been introduced into a secondary school curriculum that is based on the doctrine of Christian National education (CNE); and so a new basis for re-constructing the classroom economics tradition on an internationally accepted understanding of economics is needed.

A Basis for Change

In terms of the analysis in this dissertation the basis of remaking school economics focuses on three aspects of the curriculum. These are addressed in the teacher survey and will be considered as follows:

- a. The main aims of classroom economics.
- b. Classroom practice and teaching trends in economics.
- c. The basis of selection of the content of classroom economics.

The main aims of classroom economics

Change in the economics curriculum should start by establishing new aims which ignore apartheid doctrine, Christian nationalism, and Afrikaner master symbols.

Henderson writes that ...

Any statement about the objectives of economics education must be more than a statement about a series of (expected) outcomes that will result from learning a wide range of social sciences subjects (1989:37).

The objectives of economics should not merely be directed towards outcomes such as, for example, the Senior Certificate examination but affect the whole process of learning which takes place in economics classrooms. It is proposed that **economic literacy** form the key focus of the aims of school economics.

The consequences of such an aim in real life is difficult to achieve but this does not diminish its importance as an objective for classroom economics. However, Henderson² explains the purpose of economic theory and warns that the adoption of economic literacy has certain failings.

Economic theory has a system of understanding based on ideas such as economic man (a logical fiction), market equilibrium (the result of a consistent set of assumptions) or indifference curve analysis (a technique to demonstrate income and substitution effects). These devices are used to promote reasoning. Formal reasoning, about the changes in economic life. One of the purposes of reason is the construction of predictive economic models. We assume the existence of economic man as a (rational) economic maximizer in order to obtain strong predictions. As economists we neither say that such a person actually exists nor do we necessarily imply that it would be a 'good thing' if people were actually economic men in this sense. 'Economic man' is a fiction, but a fiction that helps us predict the likely direction of change in a market. It is also possible to act rationally and be mistaken (decisions require information and the 'correct' amount of information may not be available). ... How people actually behave in markets is essentially what we are trying to predict. In the analysis of market changes, economic literacy is of no practical use (Henderson, 1989:39).

In the teaching process it should be remembered that economists utilise economic models and concepts as a means of predicting human behaviour and that the purpose of economic literacy is not intended to improve the analysis of market changes.

Although economic literacy seems to be considered of no practical effect in terms of predictive analysis of market changes, Henderson indicates that Jeffreys³ (in an unpublished paper) considers economic literacy as a valid objective for the economics curriculum when it means "... assisting students to understand the nature and purpose of economics discourse" (Henderson, 1989:39). He writes further about what Jeffreys sees as the purpose of understanding the core concepts of economics.

These are what I see as necessary spectacles for viewing the world through economic 'eyes'. The educational task as I see it is not to start with these spectacles as given and to trace out logical consequences ... but to assist students to put on the spectacles and appreciate the consequences (Henderson, 1989:39).

This also fits in well with teaching practice which emphasises teaching pupils how to do things themselves i.e. a teaching/learning process rather than the reproduction of given learning inputs. However, the economics texts unfortunately often reinforce the product of economics investigation and principle formation rather than process as pupils learn how to use the 'spectacles' but not how to put them on. Economic literacy needs to be more than merely learning to understand economics texts but such that it enables students in the formation and setting of problems, the questioning process, problem refining, as well as the analysis and solution of economic problems. The achievement of economic literacy

in a process sense means moving away from a subject with a predetermined product (i.e. ends dominated purposes) towards one with which the students and teachers are more speculatively involved (Henderson, 1989:40).

A school economics course is in fact for many pupils merely an introduction to economics. When writing about economic literacy for 16 year olds in the United Kingdom, Ryba and Hodkinson note that economics can be likened "... to a 'starter kit' of knowledge, skills and attitudes, from which later development, ... can develop safely" (1989:112). This later development may well be through further study but for most pupils it will be in life in general. Such economic literacy will hopefully be of assistance in enabling such a person to more fully understand and play a constructive role in society. The objective of economic literacy in school economics courses also partly fulfils the idea of 'economics for citizenship' i.e. that such pupils will be better equipped to play a meaningful part in society.

In the United Kingdom an ad hoc committee of The Economics Association (1977) expressed the opinion that there were three overriding purposes of economics education for secondary pupils when considering economic literacy.

1. To provide school leavers, within their varying intellectual capacities, with that economic knowledge and those economic skills and concepts which will enable them to better understand the world in which they live, and the sophisticated workings of their own economy.
2. To develop an understanding of the more important economic forces and institutions with which they will come into contact as producers and consumers, and of the crucial interdependence of economic actions.
3. To ensure that all pupils acquire sufficient knowledge of economics and the methods of the social sciences to enable them to participate fully in the decision-making process of a modern industrial democracy (Ryba and Hodkinson, 1989:114).

The achievement of these three educational objectives as expressed by the Economics Association (U.K.) would help to build a society in which common goals would potentially exist in all citizens. This is particularly important in a country like South Africa. Muller writes that...

Because of our history of schizm, there will be powerful pressures on the school and the curriculum to provide a learning context where a common South Africanism can be forged and promoted (1992:2).

Economics is a subject where the achievement of literacy will assist the citizen in the attainment of a common "South Africanism". Although economics takes cognisance of past historical developments it can be used particularly effectively in the building of a new future for the individual as well as all South Africans. The teaching and learning process by which literacy is achieved is central to classroom practice.

Classroom practice and teaching trends in economics

The emphasis proposed is a **process approach** which focuses on learning by means of doing rather than the passive absorption of knowledge. This involves the manner in which basic economics concepts and theory is taught, the use of texts and the methods of assessment. A major advantage would be that "doing" and not "rote memorisation" would cease to dominate classroom economics. All objectives need to be complementary if the intention is to adopt this learning process for both teachers and pupils.

A process approach essentially involves the manner in which the subject matter found in traditional economic texts is approached. The real world experiences of the pupils are incorporated in the learning process in a manner that properly reflects economics philosophy. The common culture of the pupil and the tradition of western economics needs to be brought into a common perspective.

Process learning will in the end "... involve students in identifying and grappling with the kinds of problems posed in economics rather than learning the 'stories' of economics told in the textbooks" (Henderson, 1989 : 42) i.e. the traditional texts as well as those produced specifically for the use of school pupils e.g. Swanepoel et al (1983, 1984, 1985) "Thinking about the process of economic argument would also mean having a subject-based reason for thinking about the learning process" (Henderson, 1989:42). Such a course will involve a lot of 'doing' by students rather than the mere imparting of selected content from teacher to pupil. Pupils will become more familiar with economic concepts and be better able to participate as consumers, citizens and future producers. Such an approach is integrally bound up with the aim of economic literacy.

In the schools themselves learning styles will have to change from passive, rote learning, single textbook, examination oriented approaches to creative learning and problem solving through the active participation and involvement of pupils in the learning process, to hands-on experience in the laboratory and workshop, self-study in the library, questioning, discussion and co-operative working together in groups. There is a need for a hard look to be taken at the classroom (the interaction of teacher, pupil and the subject-matter of learning) and the why, what and how of the learning experiences of pupils who will have to live in a new and different South Africa. 'Neither do men put new wine into old bottles!' (Mncwabe, 1990:61).

A process model of teaching economics would provide the new basis (new bottles) for the new curriculum (new wine).

The teacher cannot necessarily be regarded as an expert but rather a senior learner together with the pupils who might be regarded as junior learners. In this way the teacher cannot absolve himself/herself from responsibility towards his/her pupils. The teacher must have the skills to find things out as well as an understanding of the deep structure,

rationale and philosophical basis of the subject being taught and learned (Stenhouse, 1975:91).

The matter of assessment will also have to change as pupils will become more skilled in case studies, problem-solving etc. rather than the memorisation of content. Stenhouse writes that

...The process model is essentially a critical model, not a marking model... This does not mean that students taught on the process model cannot be examined, but it does mean that the examination must be taken in their stride as they pursue other aspirations (Stenhouse, 1975:95).

This process-learning depends in many ways on pupils having a firm grasp of the language and meaning of economics teaching rather than a surface knowledge. A purely descriptive approach will not enable the achievement of this objective, but a process approach to learning will result in the development of problem-solving skills, understanding and the ability to seek further knowledge and solutions when immediate answers are not available or when new experiences are encountered. A reasonably high level of economic literacy will be essential for a process approach to succeed. Such an approach will assist in avoiding the criticism recently made by a teacher organisation that

... much of the content of our current syllabuses does not provide us with practical skills; nor does it achieve the broader claims of training in thinking skills, ... of making us informed people. ... most of our syllabuses are too academic and theoretical (Venter, 1992).

A process approach offers the opportunity to include meaningful and worthwhile content into the curriculum of classroom economics. The invented tradition can be explored and investigated in terms of interaction, enquiry, and experimentation such that pupils develop the skills to use the knowledge gained as well as gaining a greater understanding of this knowledge. The process of learning becomes a shared experience which involves both teachers and pupils. The attainment of such an approach leads to the probability of higher levels of economic literacy as well as better equipped citizens which forms the focus of the content of classroom economics.

The basis of selection of the content of classroom economics

It is proposed that classroom content focus on a common identity for all South Africans. The linking of economics to matters of religion, nationalism and the master symbols of a particular group, such as the Afrikaner, and their political policies is no longer appropriate. For example, if economic history is selected a euro-centric or afro-centric approach would be avoided.

Economics for citizenship is an approach which might form a basis for the selection of curricular content. A wider definition of citizenship than that previously accepted, will however be required. Mncwabe writes that apartheid education ...

has been authoritarian in nature, strongly influenced by Christian National principles, with an underlying philosophy of the 'moulding of good citizens to fit into ordered society', to be obedient to the state and the values of the existing order ... it has been marked by strong ... bureaucratic control with little freedom for parents, teachers or pupils to exercise much 'say' or influence (1990:61).

This authoritarian approach and 'moulding' concept is conveyed in one of the characteristics in commercial socialist education in the former East Germany.

... education in socialist countries is essentially a political task, which contributes substantially to enforce government and communist party economic policies ... by making pupils acquainted with the principles of a socialist economy and by convincing them of the superiority of socialism compared with capitalism (Ewig, 1991:13).

In West Germany a more common interpretation given by western democracies was implemented. The objective is to equip the individual to play a positive and constructive role in society.

... commercial professional education takes into account the requirements of society ... as well as the needs of the individual (decision-making, problem solving, managing personal economic and financial affairs, coping with everyday-problems and preparing for the future) (Ewig, 1991:13).

The values which form part of the curriculum of a school have much to do with the kind of people society wishes them to be. The values that form part of the economics curriculum play a role in developing attitudes towards economic realities. Economics students have been found to identify with conservative capitalist values after even relatively short economics courses. As future employers, producers, employees, and consumers the attitudes and values of economic pupils will have a long term affect on their citizenship.

In terms of preparing the pupil for the world of work, economics has a vocational role to play; however as important is the matter of what type of person this pupil is going to be. Curriculum 11 to 16, (DES, 1977) quoted by Pring supports these roles for the school curriculum.

... the educational system is charged by society ... with equipping young people to take their place as citizens and workers in adult life ... Secondly there is the responsibility for educating the 'autonomous citizen', a person able to think and act for herself or himself, to resist exploitation, to innovate and to be vigilant in the defence of liberty. These functions do not always fit easily together (Pring, 1986:183).

Mncwabe writes that the purpose of education is to prepare pupils for the kind of society in which people live and work. He indicates that the needs of education in South Africa are the following:

Warm, compassionate, caring people, liberated from fear and hate, for whom life has sense and purpose.

Thinking, critical people, capable of independent judgement and of coping with new ideas and change.

Skilled, competent, knowledgeable people capable of coping in a modern political economy in Africa and elsewhere; citizens who respect the rule of law and arrogance of power; who do not believe in my country right or wrong, but always want the best for it, including the right of criticism and protest, and who in the end accept that above all nations stands humanity (1990:62).

The values transmitted by education are often contentious but are important in influencing a society in which economic attitudes and matters play a major part.

... educating young people is essentially political in that it is an imparting of knowledge, understanding, and values which may be the basis for critical examination of the values and institutions which make our society the kind of society it is (Pring, 1986:183).

... schools ... are involved in promoting values ... the development of persons through the selection and promotion of significant experiences. Furthermore, it arises from the unavoidable political significance and function of schools, in assisting in the development of a certain kind of citizen - whether through tacit promotion of the compliant, (sic) obedient, unquestioning, respectful adolescent or whether through the encouragement of critical, socially aware, and questioning students (Pring, 1986:185).

It is proposed that the content of economics be chosen and taught so that it develops critical, socially aware and questioning students. The principles which follow originate from criticisms of the content of the present syllabus and are suggested as a basis for the selection of new curricular content:

- a. A study of economic history which focuses on common heritage rather than based on a particular bias e.g. a euro- or afro-centric approach. This involves the development of an economic understanding rather than history per se.
- b. A study of economic development in order to better understand the structure of the economy, present economic problems, and potential solutions.
- c. Learning about basic concepts for understanding of economic readings, events, current affairs, and the development of problem-solving skills.
- d. The use of economic theory to develop analytical skills and not rote memorisation for reproduction in examinations.
- e. Logical units of work to be included in the same year e.g. money, which is artificially split between Standards Eight and Nine.
- f. The avoidance of over-simplistic and passive acceptance of micro-economic theory. The content chosen to be included in the syllabus in such a way so as to ensure that it is taught as a theoretical basis of understanding markets.

- g. The content more clearly divided into macro- and micro-economics so that the differences between these become apparent to the pupils by means of understanding and not memorisation.
- h. Economic theories, models, and hypotheses taught in the manner used within the internationally accepted practice of positive economics.
- i. Avoiding unnecessary oversimplification of economic concepts and principles so that an internationally accepted understanding of economics education is properly reflected and distortions avoided.
- j. A reduction in the amount of descriptive content, which has had the effect of increasing the volume of work for examination purposes, as well as preventing pupils and teachers from spending more time improving problem-solving skills through the use of case studies and simulations.
- k. The inclusion of relevant theories which teach the economics approach and method e.g. Ricardo's theory of rent.
- l. The withdrawal of out-of-date content which does not positively contribute towards the development of economic understanding, and improved problem-solving skills.

These general principles, together with others that might be relevant, should to be seen as part of a whole. The adoption of such principles should be reflected in the aims, practice and teaching, and content of classroom economics. The teaching of economics needs to involve methods that include the aims in daily teaching in the classroom. These aims should be reinforced by the texts, and included in the process of assessment as applied by the teacher as well as in the Senior Certificate examination. This can only be achieved through a process of self-examination and change on a planned and purposeful basis which begins with a broadening of the decision-making process.

Norman Atkinson writes:

... we should create a situation in which curriculum decision-making is a shared activity in the broadest sense, an activity in which all the various elements in the educational system make their appropriate contribution ... (1981:322).

Atkinson raises three issues that are particularly useful in the matter of choosing curriculum content and which comply with the criteria for the development of a curriculum based on citizenship. These include shared activity in the broadest sense, the greatest possible autonomy in the hands of the teachers, and the promotion of critical and constructive attitudes to change.

Firstly, the matter of shared development of the curriculum would mean that all teachers are involved in curriculum development. This would involve opportunity for contributions on a much wider scale than at present and not merely the use of study-committees and other groupings to "rubber-stamp" decisions that have already been made. The economics teacher would be involved from beginning to end.

Secondly, it is suggested that teachers have the greatest possible measure of autonomy. Such teachers would not be expected to rigidly accept and apply the syllabus and texts but would have the autonomy to make their own decisions with regard to classroom content and activity.

Thirdly, the promotion of critical and constructive attitudes to change. This entails the development of a reasoned and critical approach. Proposals for change would be not seen as "threatening" but as an integral part of curriculum development.

Atkinson sums up the situation:

... if innovations are to succeed in schools, then teachers must be kept aware of the implications of what they are doing, must be helped to acquire the skills and attitudes necessary for their task. And conversely, programmes of teacher education are unlikely now to be of great value, unless they promote critical and constructive attitudes to change (1981:322).

In a new South African economics curriculum it is to be hoped that teachers will share far more in the decision-making, the changing of content, the writing and choosing of texts, and the process of assessment, than that which is currently taking place.

Notes

1. Maurice Willatt is formerly the head of economics at Haberdashers' Aske's school for boys, Elstree (U.K.).
2. Willie Henderson is a lecturer in economics at the Department of Extra Mural Studies, University of Birmingham.
3. Daniel Jeffreys is formerly head of economics at Westminster School, and now senior economist, Economic Policy Department, CBI.

APPENDICES

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SENIOR SECONDARY COURSE: SYLLABUS FOR ECONOMICS (STANDARD GRADE)

The syllabus below for Economics (Standard Grade) for the Senior Secondary Course will be introduced in Standard 8 in 1983 and progressively to Standard 10 in 1985.

SYLLABUS FOR ECONOMICS STANDARD GRADE: STANDARDS 8, 9 AND 10

1. THE FIELD OF STUDY OF THE SUBJECT ECONOMICS

According to the Greek origin *Economics* means "to keep house", i.e. to act and to take decisions in a specific manner. In Economics a study is therefore made of the national economy of a community in which reference is made to man with his varied wants structure in relation to relatively scarce productive resources which can be applied to satisfy wants, and this implies a continuous choice of alternative application possibilities.

Economics applies specifically to the theoretical aspects of the economic activities of a national economy. In the main the subject embraces the theorising of the macro-economic actualities. It is a socio-cultural science with a normative character and as such it is by nature analytic-theoretic and a study is made of the universal laws governing all economic activities. Economics thus leads to the formulation and manipulation of abstract concepts which are linked in a logical system.

Owing to its scientific involvement, Economics is closely allied to other sciences especially the human sciences. The apparent overlapping is, however, solved in the particular nature of the field of study, scientific approach, methods, etc.; consequently Economics, like any related science, has its own character which distinguishes it from other sciences.

Economics deals with the national economy as a whole and has as study object the macro-economic realities. In its scientific treatment Economics, as a science, follows a macro as well as micro approach.

2. GENERAL OBJECTIVES IN THE TEACHING OF ECONOMICS (STANDARD GRADE, ALL STANDARDS)

- 2.1 The teaching of Economics must have a Christian character, i.e. the subject matter, handbooks, the presentation of the teacher and the class atmosphere must be in accordance with the acceptable Christian way of life.
- 2.2 The teaching of Economics must have a national character, i.e. it must instil in the pupil a love for an interest in what is peculiar to the Republic of South Africa and her people.
- 2.3 It must promote an appreciation of the South African economic system, based on free enterprise, private ownership, freedom of economic activities, etc. in contrast with other economic systems, e.g. state controlled economies.
- 2.4 It must be of a general formative nature and vocationally directed.

3. PARTICULAR OBJECTIVES OF ECONOMICS (STANDARD GRADE - ALL STANDARDS)

- 3.1 It must promote insight into the South African national economy, the economic-historic development thereof, its particular characteristics, objectives, strong points, shortcomings and problems.
- 3.2 It must promote an understanding of the basic economic problems. The pupil must understand that all national economies are confronted by similar problems but that these problems cannot be handled and solved in the same way, in view of the unique circumstances pertaining to various countries.
- 3.3 It must promote an understanding that solutions for such economic problems must be sought weighing them up against particular goals, values and norms.
- 3.4 It must lead to the acquisition of a good basic knowledge and understanding of the economic principles attaching to local, national and international economic problems to enable the pupil as a future producer, consumer and citizen to take economically based decisions.
- 3.5 It must promote the ability to apply an analytic approach in respect of economic problems and personal economic matters. Rational thinking must be the basis of economic action.
- 3.6 It must provide the pupil with insight into economic concepts (subject terminology) used daily in all communication media and must draw attention to the generally accepted economic laws and tendencies and how they influence the South African economy.
- 3.7 It must assist pupils to develop the ability to read statistical data, tables and graphs with more insight and understanding and to interpret it intelligently.
- 3.8 It must promote logical, abstract, objective thinking.
- 3.9 It must inspire students to continue with more advanced study of this subject.
- 3.10 It must make pupils aware of the interrelationship and interdependence of the different sectors of the economic realities as a whole.

4. THE SCOPE AND NATURE OF THE SUBJECT MATTER

THE SCOPE OF THE SUBJECT MATTER:

A substantial number of pupils studying Economics do not proceed with their studies after leaving school and for that reason a study in broad outline is to be preferred to an intensive study which is above the comprehension of pupils.

THE NATURE OF THE SUBJECT MATTER:

Both the analytic-theoretic and descriptive approaches are necessary in Economics, but the relation will depend upon the comprehensive powers of the pupil.

DIFFERENTIATION IN RESPECT OF SUBJECT MATTER:

Economics, as a science, is based on specific economic concepts and universal laws, and it is consequently difficult to differentiate on the Higher and Standard grades in respect of subject matter only. Differentiation, therefore, is also based on the following:

- 4.1 Presentation by the teacher must link up with the stage of development, maturity and ability of the pupil.
- 4.2 *The relation* between the descriptive and analytic-theoretic subject matter.
- 4.3 The relation between and correlation with other economic sciences in particular and the other social sciences in general.
- 4.4 The linking-up with the world and experience of the child to utilise fully the valuable potential contribution of the childhood experiences – in this way learning becomes an adventure for the child, either through actual or imaginary experiences, e.g. a difference in the degree of difficulty of examples, models, case studies, graphic presentations, etc.
- 4.5 Problem-solution assignments must be adapted to the maturity and ability of the pupil:
Higher grade – more theoretically biased
Standard grade – more practically biased
- 4.6 A study in broad outline is in respect of both grades more or less the same, but an intensive study in respect of certain aspects, especially theory, is required in the Higher grade.

4.7 EVALUATION

- 4.7.1 Standard grade: Direct questions.
- 4.7.2 Objective short questions (a maximum of 20% may be set) (both grades).

5. APPROACH

- 5.1 Economics must not be approached and regarded purely as an abstract subject. The mere memorising of definitions and laws must be strongly discouraged because it is educationally unsound and complicates the subject. Economics is a dynamic, futuristic subject, and topical economic matters (obtained from communication media) can be used as practical examples to indicate constantly the essential connection between theory and practice.
- 5.2 A descriptive and economic-historic introduction leads to the understanding of the theory because it supplies the required background knowledge of existing institutions, systems and problems. Knowledge of the practice leads to a better understanding of the theoretical and vice versa.
- 5.3 Economics can and must be presented as a living subject and pupils learn either through actual experience or fantasy. Contact must be made with the world of the child before introducing abstract concepts.
- 5.4 Concentric development: Basic concepts must first be introduced and then concentrically developed from the general to the particular which must continually be consolidated so as to maintain a unity. The subject must never be presented piecemeal.
- 5.5 Stimulation of individual thinking: Pupils must be encouraged to read more about actual economic problems so as to broaden their own experience and to note contrasting points of view so that they can develop their own ideas. Reading matter should be available in the school library for this purpose. At the same time an opportunity should be created for class discussions on current economic topics within the range of understanding of the pupils to enable them to form a sound opinion on economic matters.

6. EXAMINATION

All examination papers (Stds 8, 9 and 10) at the end of the year will be based on the work done during the year.

SYLLABUS: ECONOMICS: STANDARD 8 (STANDARD GRADE)

The syllabus for Standard 8 is an introduction to Economics and is of a descriptive nature.

NOTE: Class discussions on contemporary economic events and assignments should be stressed as from Standard 8.

DETAILS

STUDY GUIDE

1. INTRODUCTION: THE SCOPE OF ECONOMICS
 - 1.1 *The Subject "Economics"*
 - 1.1.1 What it is concerned with
 - 1.1.2 Its relation to other social sciences
 - 1.1.3 The methods of research used: inductive, deductive and mixed
 - 1.1.4 The value of a study of Economics
 - 1.2 *The Basic Concepts*
 - 1.2.1 Wants—limited in intensity and unlimited in number.
 - 1.2.2 Production
 - 1.2.3 Division of labour and barter
 - 1.2.4 Consumption and saving
 - 1.2.5 Investment (ordinary sense and in capital goods)
 - 1.2.6 Consumption and capital goods
 - 1.2.7 Wealth and prosperity
 - 1.2.8 Capital
 - 1.2.9 Value and utility
 - 1.2.10 Demand and supply
 - 1.2.11 Infra structure: transport and communication
 - 1.3 *General View*
 - 1.3.1 The world at work—activities for providing human wants
 - 1.3.2 The problem of scarcity in Economics
2. STAGES OF DEVELOPMENT IN GENERAL WITH REFERENCE TO THE ECONOMIC ASPECT OF HISTORY
 - 2.1 Self-sufficient stage
 - 2.2 Specialization, surpluses and barter
 - 2.3 Development of a generally acceptable medium of exchange
 - 2.4 The Industrial Revolution and its influence on production and the standard of living
 - 2.5 Development of organized markets, transport and communication.
3. THE DEVELOPMENT OF THE SOUTH AFRICAN ECONOMY
 - 3.1 *The Stockbreeding and Agricultural Stage*
 - 3.1.1 Chief characteristics of the national economy
 - 3.1.2 Factors which have retarded and promoted economic development

An intensive study of the field to be covered and the relation to other social sciences are desirable. Any concepts contained herein should be explained thoroughly. The methods of research must be dealt with within the comprehension of the pupils and not in detail.

The value of a study of Economics for the pupil, the businessman, the housewife and the informed citizen in a democratic society must be emphasized.

An intensive study of the 1.2.1 is necessary. The other concepts 1.2.2-1.2.11 must be dealt with clearly and concisely, and where necessary, the mutual relationship must be indicated, so that the economic view can be broadened and the economic history (which will be dealt with later) becomes more meaningful. It should be pointed out to pupils that terms such as wealth and capital have specialized significance in Economics.

Decreasing utility, marginal utility, average utility not applicable.

This must be treated only in an elementary fashion so that an elementary, practically orientated total image can be formed of the subject which can serve as core or framework for later development.

The problem of choice in general and in particular for the producer, the worker and the consumer.

A concise review of the development of a country from the primitive stage to the modern system of large-scale production, specialization and international trade. Not of a particular country, but only in general so that the pupil will be able to compare it with the development and structure of the South African economy, which will be dealt with in 3. Emphasize the reasons why so little economic development took place during the Middle Ages, as well as the reasons why eventually there was a revival which made economic progress possible.

A concise study in order to form a total image of the economic development of the Republic of South Africa is required. By means of this study the pupil can be made conscious of his personal responsibility in the national economy. In introducing this section the teacher should point out the native inhabitants' stage of development at the time of the White man's arrival, in respect of hunting, stockbreeding and agriculture. The Strandloper, the Bushman, the Hottentot and the Blackman, their mode of life and the prevailing economic concepts.

3.2	<i>The Agricultural-mining Stage:</i> The discovery of diamonds and gold and the economic consequences thereof	Only an elementary treatment is required.
3.3	<i>The Agricultural-Mining-Industrial Stage:</i> The development of these sectors up to the present, and important factors which contributed to and retarded the development.	The present factors which promote and retard agricultural, mining and secondary industries must be emphasized.
4.	MONETARY ECONOMICS	
4.1	<i>Money</i>	Definition
4.1.1	Modern moneys	Notes, coins and deposit money. Explain deposit money briefly.
4.1.2	The technical functions of money	Explain medium of exchange, unit of account, store of value, standard of deferred payment.
4.1.3	Money-associated instruments	Emphasise that the function of a cheque is to transfer money (a claim on money), but is not money itself.
4.1.3.1	Cheques	These allow access to credit. Money is eventually used to settle the account. These instruments are not money itself. (Discuss briefly the different types of credit cards.)
4.1.3.2	Credit cards	It is only accepted within the country of origin.
4.1.4	The national character of money	The student must be able to list these.
4.2	<i>Banking</i>	Refer to the functions of each briefly. Elaborate on the functions of commercial banks.
4.2.1	The different types of banks in S.A.	Note that the activities of the National Finance Corporation are similar to those of the discount houses.
4.2.2	The functions of each one of the different types of banks established in terms of the 1965 Banks Act	Discuss ownership and management. Mention that it does not offer banking services to the general public.
4.2.3	The difference between banks and quasi banks	Not a bank in terms of the Banks Act.
4.2.4	The South African Reserve Bank	Not a bank in terms of the Banks Act. Briefly explain its operation.
4.2.5	The Land and Agricultural Bank of S.A. and its functions	
4.2.6	The Post Office Savings Bank	
4.3	<i>Credit</i>	List and explain.
4.3.1	The difference between money and credit	Emphasise that these are cheque accounts at commercial banks.
4.3.2	The various forms of credit	
4.3.2.1	Overdrafts	Discuss briefly
4.3.2.2	Instalment Purchases Credit	
4.3.2.3	Personal loans	
4.4	<i>Other Financial Institutions and Their Functions</i>	
4.4.1	Building Societies	
4.4.2	Insurance Companies	
4.4.3	Pension Funds	
4.5	<i>A Brief Historical Review of Banking and Money in South Africa</i>	Refer to the different currency units used in South Africa
5.	EXAMINATION	
	A three-hour paper is recommended	
	All questions must be of a direct nature	

SYLLABUS: ECONOMICS: STANDARD 9 (STANDARD GRADE)

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| <p>1. DEMAND AND CONSUMPTION</p> <p>1.1 <i>Wants</i></p> <p>1.1.1 Nature</p> <p>1.1.2 Scope</p> <p>1.1.3 Changes</p> <p>1.1.4 Satisfaction and influence of advertisements</p> <p>1.2 <i>Utility</i></p> <p>1.2.1 The relationship between utility and demand</p> <p>1.2.2 Free and economic goods</p> <p>1.2.3 Marginal utility, and the Law of Diminishing Marginal Utility</p> <p>1.3 <i>Value</i></p> <p>1.3.1 The relationship between utility, value and the price of an article</p> <p>1.3.2 Factors which determine value</p> <p>1.3.3 Value in exchange, price and cost of production</p> <p>1.4 <i>Consumer Demand</i></p> <p>1.4.1 Meaning</p> <p>1.4.2 Relationship between demand and price</p> <p>1.4.3 The demand table and the demand curve and the Law of Demand. The problem of determining demand schedules, reasons for downward trend of demand curves, elasticity and the factors influencing it</p> <p>2. PRODUCTION OF ECONOMIC GOODS AND SERVICES</p> <p>2.1 <i>The Creation of Economic Goods and Services by the Four Factors of Production</i></p> <p>2.2 <i>Factors of Production</i></p> <p>2.2.1 <i>Natural Resources</i></p> <p style="padding-left: 20px;">Description</p> <p style="padding-left: 20px;">Characteristics</p> <p style="padding-left: 20px;">Functions</p> <p style="padding-left: 20px;">Availability and economic significance</p> <p style="padding-left: 20px;">Factors influencing their productivity</p> <p>2.2.2 <i>Labour</i></p> <p style="padding-left: 20px;">Description</p> <p style="padding-left: 20px;">Characteristics</p> <p style="padding-left: 20px;">Classification</p> <p style="padding-left: 20px;">Availability and economic significance</p> <p style="padding-left: 20px;">Factors influencing productivity</p> <p>2.2.3 <i>Capital</i></p> <p style="padding-left: 20px;">Description</p> <p style="padding-left: 20px;">Functions</p> <p style="padding-left: 20px;">Availability and economic significance</p> <p style="padding-left: 20px;">Classification (the following kinds):</p> <p style="padding-left: 40px;">Monetary capital</p> <p style="padding-left: 40px;">Real capital: Fixed</p> <p style="padding-left: 80px;">Floating</p> <p style="padding-left: 20px;">Capital formation</p> <p>2.2.4 <i>The Entrepreneur</i></p> <p style="padding-left: 20px;">Description</p> <p style="padding-left: 20px;">Functions</p> <p style="padding-left: 20px;">Availability and economic significance</p> <p style="padding-left: 20px;">Attributes</p> <p>2.3 <i>Classification of Productive Activities</i></p> <p style="padding-left: 20px;">Primary, secondary and tertiary industries and personal services</p> | <p>General: Emphasis on consolidation and expansion of concepts which should be dealt with fairly extensively. Refer to modern developments and tendencies in this connection.</p> <p>1.1 An intensive study is necessary. It is desirable that the teacher should also emphasize the judicious satisfaction of wants with available means.</p> <p>If the concepts value, marginal utility and the Law of Diminishing utility are illustrated by selected examples, pupils will understand this all more quickly and effectively.</p> <p>An elementary study of the marginal utility theory as applied to value is required.</p> <p>Deal with this thoroughly and in such a way that it can be developed with production curves to price forming on the perfect market. If an example can be used illustrating why the demand curves normally decline from left to right, pupils will understand this better and it will serve as the foundation for a better grasp of the logical relationship between various related concepts. Only an elementary treatment of the concept elasticity and the factors influencing it is required.</p> <p>A reasonably intensive study is required. The four factors of production should be identified and the relationship stressed.</p> <p>Linking up with the practical situation and South African conditions are essential.</p> <p>Reference to the State as producer and also state interference and control, where applicable, is required.</p> |
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- 2.4 *Division of Labour as a Feature of the Modern Productive System:*
Significance
Advantages and disadvantages
- 2.5 *Mass Production as a Feature of the Modern Production System:*
Significance
Conditions
Advantages and disadvantages
- 2.6 *Production Costs: (Also refer to par. 3)*
Significance
- Difference between total and unit costs
Fixed costs
Variable costs and marginal costs
- 2.7 *The Automatic Regulation of Production*
3. SUPPLY
- 3.1 Significance
- 3.2 Relationship between supply and price
- 3.3 Supply table and curve and the Law of Supply
4. MARKETS (EXCHANGES) AND PRICE FORMATION
- 4.1 Description
Development
Economic significance of markets
- 4.2 *Marketing Functions*
Description of the various functions and why they are exercised
- 4.3 The role of competition in the capitalistic market economy
- 4.4 The significance of and conditions for the existence of the following types of markets
- 4.4.1 Perfect market
- 4.4.2 Imperfect market
- 4.5 The reasons for imperfect competition in practice
- 4.6 The market equilibrium price as determined by demand and supply under conditions of perfect competition
- 4.7 The economic significance of stock exchanges, with special reference to the Johannesburg Stock Exchange
5. MONETARY ECONOMICS
- 5.1 *Money*
- 5.1.1 The origin and evolution of money
- 5.1.1.1 Barter exchange and its drawbacks
- 5.1.1.2 The precious metals as money
- 5.1.1.3 The requirements to which a good medium of exchange should comply
- 5.1.2 Inconvertible paper moneys
- 5.1.3 Deposit money
- Illustration with the assistance of tables and graphs is desirable.
Only an elementary treatment is required.
- An elementary treatment with a view to an introduction to the study of supply is required.
- Deal fully (but elementary) with this aspect in preparation for price forming on the perfect market. An example explaining why the supply curve normally tends to rise from left to right can contribute to the better understanding by pupils.
- Only an elementary treatment of the development and economic significance of markets (with particular reference to South Africa) is required.
- The marketing procedure in respect of specific products and manufactures is not included – only casual reference in order to illustrate the functions better, is required.
- Only discuss the monopoly as an imperfect market.
- Elaborate on demand and supply. Price formation on a perfect market on short term must be dealt with thoroughly. Mention that price formation in the short term differs from price formation in the long term. N.B.: Price determination on an imperfect market is not included.
- Discuss the origin, the organisation and function of the stock exchanges only for background knowledge. Emphasise this exchange as a form of a perfect market.
- Stress the important qualities of these metals as money
- Discuss against the background of the gold standard (no other standards should be dealt with). Emphasise that modern paper moneys are not convertible into anything but paper money.
- Emphasise that this is not legal tender.

5.1.4 Other types of deposits

Include time and savings deposits. Note that medium term and savings deposits are, in South Africa, treated as quasi money. Define quasi money (near-money).

These are not money instruments but are important methods of saving.

5.2 *The Monetary System*

5.2.1 The value of money

The meaning of money

5.2.2 The relationship between the value of money and the value of goods

5.2.3 Measuring the value of money

The price indexes. Make use of a numerical example to explain the basic principle. Mention only consumer's price indexes and wholesale price indexes.

5.2.4 Inflation and deflation

5.2.5 Effects of changes in the value of money

Emphasis should be on the fact that inflation is often caused by an excess increase in the quantity of money. This creates excess demand. Demand can be reduced by increasing taxes or decreasing the money supply. The term "deflation" is used in the opposite sense.

5.3 *Monetary Control*

5.3.1 Concise historical review of the origin and development of banks and central banks

In discussing the historical development of banks, emphasise the necessity for control which originated from the over-issuance of notes by the banks.

5.3.2 Money creation by the ancient goldsmiths

5.3.3 The basic principle of money creation

5.3.4 Functions of a central bank, with special reference to the South African Reserve Bank

5.3.4.1 Banking functions

5.3.4.2 Credit control functions

6. EXAMINATION

A three-hour paper is recommended

All questions must be of a direct nature

SYLLABUS: ECONOMICS: STANDARD 10 (STANDARD GRADE)

1. THE SUBJECT ECONOMICS

1.1 Definition

A thorough study is required in order to obtain a total image of the field of study.

1.2 The field of study

1.3 The value of a study of economics

1.4 The economic cycle

1.5 Methods of research

2. REMUNERATION OF FACTORS OF PRODUCTION

2.1 *Land Rent*

During the presentation of this material reference must also be made to the renting of farms, urban sites and the payment of quit rent in respect of mines.

2.1.1 The concept "rent" and what it embraces

2.1.2 Factors which influence rent and inequalities thereof in practice

2.2 *Wages*

Instruction must include reference to the role of trade unions; state action with regard to labour affairs; unemployment; a brief treatment of the labour problems of the R.S.A. The advantages and disadvantages of the various wage systems are not required.

2.2.1 The concept "wages" and what it embraces

2.2.2 The difference between nominal and real wages

2.2.3 The significance and simple application of time wages, piece wages and wage incentive systems

2.2.4 Factors which influence wages and their inequality in practice

2.3 *Interest*

2.3.1 The concept "interest"

2.3.2 Factors which influence interest and the inequality thereof in practice

- 2.4 *Profits*
- 2.4.1 The concept "profit"
- 2.4.2 The profit and assumption of risk
- 2.4.3 The factors which influence profits
- 2.4.4 Differences between profit and the remuneration of the other factors of production

3. NATIONAL INCOME

- 3.1 *Terms:* The economic cycle of production and consumption to explain the terms national production, national expenditure, national income and the distribution problem in a closed economy.

3.2 *Determination of National Income*

- 3.2.1 Definition and the Component elements

3.3 *Problems in the Determination of National Income:*

- 3.3.1 Transfer payments
- 3.3.2 Double counting
- 3.3.3 Monetary (Nominal) and Real National Income
- 3.3.4 Services which are not included
- 3.3.5 Accuracy

3.4 *The Use of National Income Figures*

- 3.4.1 The concept and determination of Economic Growth
- 3.4.2 Comparison of prosperity levels
- 3.4.3 Relative importance of various sectors in the National Economy
- 3.4.4 Limitation of National Income Figures

3.5 *Analysis of the South African National Income*

- 3.5.1 A brief explanation of the following terms which are used in connection with statistical data in respect of the S.A. National Income:

- 3.5.1.1 Gross Domestic Product at market prices
- 3.5.1.2 Gross Domestic Product at factor cost
- 3.5.1.3 Gross National Product
- 3.5.1.4 Per Capita National Income
- 3.5.1.5 Real Gross Domestic Product
- 3.5.2 Comparison of various years to illustrate economic structural changes and prosperity
- 3.5.3 Comparison with other countries in total and per capita
- 3.5.4 Contributions by various racial groups
- 3.5.5 Methods to increase national income

4. THE PRESENT ECONOMIC STRUCTURE OF SOUTH AFRICA

4.1 *Agriculture*

- 4.1.1 Commercialization and mechanisation of the industry
- 4.1.2 Its place in our national economy

4.2 *Mining*

- 4.2.1 A survey of South Africa's mineral resources
- 4.2.2 The place and role of the mining industry and particularly of gold mining in our national economy.

4.3 *Secondary Industries*

- 4.3.1 Desirability of industrial development
- 4.3.2 The economic importance of industry in the R.S.A. with special reference to Iscor, Escom and Sasol

The latest statistics are required, but need only be indicated for the most important sectors by approximation, in order to illustrate specific tendencies.

In discussing the component elements the importance of *added value* should be stressed. The position of added value in relation to production and its link with the National Income should be brought out clearly.

An intensive study is required. The mutual and logical relationship between certain concepts, aspects and sectors, seen against the historical background, must constantly be indicated and emphasized, so that the formation of a total image can be fostered. Reference to the economic development and current affairs will help to breathe life into the subject.

The origin, management and control of Iscor, Escom and Sasol must be treated only as background knowledge, i.e. not for examination purposes. Emphasise the contribution of these enterprises to the industrial development in the R.S.A.

- 4.3.3 The location of industries
- 4.3.3.1 Factors to be taken into account in the choice of locality for an industrial enterprise

In dealing herewith, refer to local surroundings, if possible, and also to progress with industrial areas and future prospects in the Republic of South Africa.

- 4.3.3.2 Centralisation/Decentralisation: Description, desirability, advantages and disadvantages
- 4.3.3.3 Localisation and development in Black Homelands with reference only to the role of the Development Corporations.

4.4 *The S.A. Infrastructure*

- 4.4.1 Transport and communication
- 4.4.1.1 The relationship between the development of a country's natural resources, its transport system and communication
- 4.4.1.2 The economic importance of our systems of transport and communication

The various transport systems, advantages and disadvantages are not required.

5. INTERNATIONAL ECONOMICS

5.1 *Introductory*

Outline the need for a study of International Economics.

- 5.1.1 Causes of International Trade

A link must be found with the basic problem of Economics, viz. man and his wants, as well as the fact that all countries are not suited to the production of all goods owing to climatic conditions, the availability of natural resources, etc. In particular pupils should be introduced to the most recent developments affecting South Africa.

5.2 *The Balance of Payments*

It is necessary to have a clear understanding of the position of the various components of the balance of payments: merchandise exports, Net Gold Output, etc.

- 5.2.1 The Current Account
- 5.2.1.1 The Balance of Trade
- 5.2.1.2 The Balance on Current Account
- 5.2.2 The Capital Account
- 5.2.2.1 Long-term capital movements
- 5.2.3 The Basic Balance
- 5.2.3.1 Short-term capital movements
- 5.2.4 Changes in the net gold and other foreign exchange reserves owing to balance of payments transactions

In arriving at the balance on current account the contribution of the components should be analysed and their relative importance should be emphasised.

Analyse the contributions of the *private* and *public* sectors.

- 5.2.5 General characteristics and tendencies of the South African balance of payments

The relationship between *long term capital movements* and *balance on current account* should be analysed.

The relationship between *short term capital movements* and *the basic balance* should be analysed. This section should be rounded off by discussing the effect of the change (deficit/surplus) in the balance on the foreign reserves.

The contributions of the different components of the balance of payments should be examined over a period of time, for e.g. for 10 consecutive years. Particular attention should be paid to the role of gold.

5.3 *Exchange Rates*

- 5.3.1 The Supply and Demand of foreign exchange
- 5.3.2 Fixed Exchange Rates
- 5.3.2.1 Revaluation/Devaluation
- 5.3.3 Floating Exchange Rates
- 5.3.3.1 Appreciation/Depreciation
- 5.3.4 Managed Floating

Discuss parity changes in terms of revaluation and devaluation.

Also differentiate between independent floating and group floating.

5.4 *Exchange Rate Policy in South Africa*

- 5.4.1 Exchange Rate policy in S.A. in historical perspective, with particular reference to recent development

Refer to the previous fixed exchange system (i.e. Link between Rand and Pound; and between Rand and U.S. Dollar). Discussion should lead

- 5.4.2 Development of Exchange Control measures for the Rand with reference to its effects on the S.A. Economy
- 5.4.3 The Operation of the Foreign Exchange Market
- 5.5 *The S.A. International Trade Policy*
- 5.5.1 Export Promotion
- 5.5.2 Import Substitution
- 5.5.3 Protection: Arguments in favour of protection and the practical problems in the application of a sound protection policy
- 5.5.3.1 Forms of protection: Custom duties
Export subsidies
Import quotas
Import restriction
Import deposits
- 5.5.4 Economic integration and co-operation with other states in Southern Africa
- 6. THE STATE
- 6.1 *Functions*: Concise review of the functions of the State
- 6.2 *Capitalism and Communism*
- 6.2.1 Liberal capitalism and the theory of a centrally-planned economy
- 6.2.2 The socialistic and communistic systems
- 6.3 *The Role of the State in Production* (with special reference to South African conditions):
- 6.3.1 The State as entrepreneur
- 6.3.2 The State as legislative body
- 6.3.3 The State as supplier, organiser and co-ordinator in the national economy
- 6.3.4 The economic policy of the State
- 6.4 *Budget*
- 6.4.1 Significance
- 6.4.2 Division of the R.S.A. budget (Income and Loan Accounts and Cash budget). The Public Debt
- 6.4.3 Stages in financial procedure (Planning, authorisation, execution and responsibility)
- 6.4.4 Forms of State Income
- 6.5 *Taxation*
- 6.5.1 Description
- 6.5.2 Meaning of incidence, shifting and avoidance of taxes, progressive, regressive and proportional taxation
- 6.5.3 Requirements for a good system of taxation. Test the South African tax system in terms thereof
- 6.5.4 Direct and indirect taxation
Description
Characteristics
Advantages and disadvantages
- 6.5.5 How taxing policy influences the economy of a country

to an explanation of the present exchange rate system.

Refer to the blocked rand system, securities rand system, financial rand and commercial rand.

An elementary discussion so as to acquaint pupils with dealings in foreign currency.

Refer to incentives. Also discuss effects on the economy.

Refer to the importance of local production.

Constant attention to the role of the State in the R.S.A. economy, where applicable, is necessary

Refer to relevant legislation. Legislation, boards of marketing control boards, their purposes and functions only serve as background study.

Only the salient features of the latest budget required.

An elementary treatment only of 6.5 is required, also of the South African income tax system. Casual reference only to other taxes, such as provincial tax and taxes levied by local authorities. Theories of taxation are not required.

7. **IMPORTANT SOUTH AFRICAN ECONOMIC TOPICS**
- 7.1 The general importance of *water supply and conservation* with special reference to a specific growthpoint
- 7.2 *Pollution*: forms and economic consequences
8. **EXAMINATION**
- 8.1 A paper of **THREE (3)** hours, carrying 300 marks, will be set
- 8.2 The paper will be based only on the Standard 10 work
- 8.3 **NINE (9)** equivalent questions (with or without sub-sections, and short, objective questions) will be set. **SIX (6)** questions must be answered
- 8.4 **ALL** questions will be of a **DIRECT NATURE**
- 8.5 **ONE (1)** compulsory equivalent question consisting of short objective questions (e.g.) a true-or-false test, multiple-choice test, etc.) may be set
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SENIOR SECONDARY COURSE: SYLLABUS FOR ECONOMICS (HIGHER GRADE)

The syllabus below for Economics (Higher Grade) for the Senior Secondary Course will be introduced in Standard 8 in 1983 and progressively to Standard 10 in 1985.

SYLLABUS FOR ECONOMICS HIGHER GRADE: STANDARDS 8, 9 AND 10

1. THE FIELD OF STUDY OF THE SUBJECT ECONOMICS

According to the Greek origin *Economics* means "to keep house", i.e. to act and to take decisions in a specific manner. In Economics a study is therefore made of the national economy of a community in which reference is made to man with his varied wants structure in relation to relatively scarce productive resources which can be applied to satisfy wants, and this implies a continuous choice of alternative application possibilities.

Economics applies specifically to the theoretical aspects of the economic activities of a national economy. In the main the subject embraces the theorising of the macro-economic actualities. It is a socio-cultural science with a normative character and as such it is by nature analytic-theoretic and a study is made of the universal laws governing all economic activities. Economics thus leads to the formulation and manipulation of abstract concepts which are linked in a logical system.

Owing to its scientific involvement, Economics is closely allied to other sciences especially the human sciences. The apparent overlapping is, however, solved in the particular nature of the field of study, scientific approach, methods, etc.; consequently Economics, like any related science, has its own character which distinguishes it from other sciences.

Economics deals with the national economy as a whole and has as study object the macro-economic realities. In its scientific treatment Economics, as a science, follows a macro as well as micro approach.

2. GENERAL OBJECTIVES IN THE TEACHING OF ECONOMICS (HIGHER GRADE, ALL STANDARDS)

- 2.1 The teaching of Economics must have a Christian character, i.e. the subject matter, handbooks, the presentation of the teacher and the class atmosphere must be in accordance with the acceptable Christian way of life.
- 2.2 The teaching of Economics must have a national character, i.e. it must instil in the pupil a love for an interest in what is peculiar to the Republic of South Africa and her people.
- 2.3 It must promote an appreciation of the South African economic system, which is based on free enterprise, private ownership, freedom of economic activities, in contrast with other economic systems, e.g. state controlled economies.
- 2.4 It must be of a general formative nature and vocationally directed.

3. PARTICULAR OBJECTIVES OF ECONOMICS (HIGHER GRADE) - ALL STANDARDS

- 3.1 It must promote insight into the South African national economy, the economic-historic development thereof, its particular characteristics, objectives, strong points, shortcomings and problems.
- 3.2 It must promote an understanding of the basic economic problems. The pupil must understand that all national economies are confronted by similar problems but that these problems cannot be handled and solved in the same way, in view of the unique circumstances pertaining to various countries.
- 3.3 It must promote an understanding that solutions for such economic problems must be sought by weighing them up against particular goals, values and norms.
- 3.4 It must lead to the acquisition of a good basic knowledge and understanding of the economic principles attaching to local, national and international economic problems to enable the pupil as a future producer, consumer and citizen to take economically based decisions.
- 3.5 It must promote the ability to apply an analytic approach in respect of economic problems and personal economic matters. Rational thinking must be the basis of economic action.
- 3.6 It must provide the pupil with insight into economic concepts (subject terminology) used daily in all communication media and must draw attention to the generally accepted economic laws and tendencies and how they influence the South African economy.
- 3.7 It must assist pupils to develop the ability to read statistical data, tables and graphs with more insight and understanding and to interpret them intelligently.
- 3.8 It must promote logical, abstract, objective thinking.
- 3.9 It must inspire students to continue with more advanced study of this subject.
- 3.10 It must make pupils aware of the interrelationship and interdependence of the different sectors of the economic realities as a whole.

4. THE SCOPE AND NATURE OF THE SUBJECT MATTER

THE SCOPE OF THE SUBJECT MATTER:

A substantial number of pupils studying Economics do not proceed with their studies after leaving school and for this reason a study in broad outline is to be preferred to an intensive study which is above the comprehension of pupils.

THE NATURE OF THE SUBJECT MATTER:

Both the analytic-theoretic and descriptive approaches are necessary in Economics, but the relation will depend upon the comprehensive powers of the pupil.

Economics on the Standard Grade must mainly be of a descriptive nature

DIFFERENTIATION IN RESPECT OF SUBJECT MATTER:

Economics, as a science, is based on specific economics concepts and universal laws, and it is consequently difficult to differentiate on the Higher and Standard grades in respect of subject matter only. Differentiation, therefore, is also based on the following:

- 4.1 Presentation by the teacher must link up with the stage of development, maturity and ability of the pupil.
- 4.2 *The relation* between the descriptive and analytic-theoretic subject matter.
- 4.3 The relation between and correlation with other economic sciences in particular and the other social sciences in general.
- 4.4 The linking-up with the world and experience of the child to utilise fully the valuable potential contribution of the childhood experiences – in this way learning becomes an adventure for the child, either through actual or imaginary experiences, e.g. a difference in the degree of difficulty of examples, models, case studies, graphic presentations, etc.
- 4.5 Problem-solution assignments must be adapted to the maturity and ability of the pupil:
 - Higher grade – more theoretically biased
 - Standard grade – more practically biased
- 4.6 A study in *broad outline* is in respect of both grades more or less the same, but an intensive study in respect of certain aspects, especially theory, is required in the Higher grade.
- 4.7 EVALUATION
 - 4.7.1 Higher grade: A healthy balance between insight and direct essay type questions.
 - 4.7.2 Objective short questions (a maximum of 20% may be set).

5. APPROACH

- 5.1 Economics must not be approached and regarded purely as an abstract subject. The mere memorising of definitions and laws must be strongly discouraged because it is educationally unsound and complicates the subject. Economics is a dynamic, futuristic subject, and topical economic matters (obtained from communication media) can be used as practical examples to indicate constantly the essential connection between theory and practice.
- 5.2 A descriptive and economic-historic introduction leads to the understanding of the theory because it supplies the required background knowledge of existing institutions, systems and problems. Knowledge of the practice leads to a better understanding of the theoretical and vice versa.
- 5.3 Economics can and must be presented as a living subject and pupils learn either through actual experience or fantasy. Contact must be made with the world of the child before introducing abstract concepts.
- 5.4 Concentric development: Basic concepts must first be introduced and then concentrically developed from the general to the particular which must continually be consolidated so as to maintain a unity. The subject must never be presented piecemeal.
- 5.5 Stimulation of individual thinking: Pupils must be encouraged to read more about actual economic problems so as to broaden their own experience and to note contrasting points of view so that they can develop their own ideas. Reading matter should be available in the school library for this purpose. At the same time an opportunity should be created for class discussions on current economic topics within the range of understanding of the pupils to enable them to form a sound opinion on economic matters.

6. EXAMINATION

All examination papers (Stds 8, 9 and 10) at the end of the year will be based on the work done during the year.

SYLLABUS: ECONOMICS: STANDARD 8 (HIGHER GRADE)

The syllabus for Standard 8 is an introduction to Economics and is of a descriptive nature.

NOTE: Class discussions on contemporary economic events and assignments should be stressed as from Standard 8.

DETAILS

STUDY GUIDE

1. INTRODUCTION: THE SCOPE OF ECONOMICS

- 1.1 *The Subject "Economics"*
 - 1.1.1 What it is concerned with
 - 1.1.2 Its relation to other social sciences

An intensive study of the field to be covered and the relation to other social sciences are desirable. Any concepts contained herein should be ex-

DETAILS		STUDY GUIDE
1.1.3	The methods of research used: inductive, deductive and mixed	plained thoroughly. The methods of research must be dealt with within the comprehension of the pupils and not in detail.
1.1.4	The value of a study of Economics	The value of a study of Economics for the pupil, the businessman, the housewife and the informed citizen in a democratic society must be emphasized.
1.2	<i>The Basic Concepts</i>	An intensive study of 1.2.1 is necessary. The other concepts 1.2.2 to 1.2.11 must be dealt with clearly and concisely, and where necessary, the mutual relationship must be indicated, so that the economic view can be broadened and the economic history (which will be dealt with later) becomes more meaningful. It should be pointed out to pupils that terms such as wealth and capital have a specialized significance in Economics.
1.2.1	Wants – limited in intensity and unlimited in number.	
1.2.2	Production	
1.2.3	Division of labour and barter	
1.2.4	Consumption and saving	
1.2.5	Investment (ordinary sense and in capital goods)	
1.2.6	Consumption and capital goods	
1.2.7	Wealth and prosperity	
1.2.8	Capital	
1.2.9	Value and utility	Decreasing utility, marginal utility, average utility not applicable.
1.2.10	Demand and supply	
1.2.11	Infra structure: transport and communication	
1.3	<i>General Review</i>	
1.3.1	The world at work – activities for providing human wants	This must be treated only in an elementary fashion so that an elementary, practically orientated total image can be formed of the scope of the field of study of the subject which can serve as core or framework for later development.
1.3.2	The problem of scarcity in Economics	The problem of choice in general and in particular for the producer, the worker and the consumer.
1.4	<i>The cycle:</i> The influence of production, distribution, and consumption on one another with emphasis on the logical relationship	Consolidate 1.1, 1.2 and 1.3. More or less the same field as 1.3 will be covered, but will be approached more theoretically in the light of 1.1 and 1.2
2.	STAGES OF DEVELOPMENT IN GENERAL WITH REFERENCE TO THE ECONOMIC ASPECTS OF HISTORY	A concise review of the economic development of a country from the primitive stage to the modern system of large-scale production, specialization and international trade. Not of a particular country, but only in general so that the pupil will be able to compare it with the development and structure of the South African economy, which will be dealt with in 3.
2.1	Self-sufficient stage	Emphasize the reasons why so little economic development took place during the Middle Ages, as well as the reasons why eventually there was a revival which made economic progress possible.
2.2	Specialization, surpluses and barter	The pupil must also gain an appreciation of the universal problems which man has to cope with, and how the problems could progressively be solved more effectively as knowledge derived from experience increased. The pupil should also be shown how our present system is the result of long, continuous development.
2.3	Development of a generally acceptable medium of exchange	
2.4	Knowledge of Feudalism and Mercantilism	
2.5	The Industrial Revolution and its influence on production and the standard of living	
2.6	Development of organized markets, transport and communication.	
3.	THE DEVELOPMENT OF THE SOUTH AFRICAN ECONOMY	An intensive study of the economic development of the Republic of South Africa is required. By means of this study the pupil can be made conscious of his personal responsibility in the national economy. In introducing this section the teacher should point out the native inhabitant's stage of development at the time of the White man's arrival, in respect of hunting, stockbreeding and agriculture. The Strandloper,
3.1	<i>The Stockbreeding and Agricultural Stage</i>	
3.1.1	Chief characteristics of the national economy	
3.1.2	Factors which have retarded and promoted economic development	

DETAILS

STUDY GUIDE

3.2	<i>The Agricultural-mining Stage:</i> The discovery of diamonds and gold and the economic consequences thereof	the Bushman, the Hottentot and the Black man, their mode of life and the prevailing economic concepts.
3.2.1	Marketing possibilities	
3.2.2	Transport facilities	
3.2.3	Communication	
3.2.4	Labour	
3.2.5	The flow of capital	
3.2.6	National Income	
3.3	<i>The Agricultural-Mining-Industrial Stage:</i> The development of these sectors up to the present, and important factors which contributed to and retarded the development.	The present factors which promote and retard agriculture, mining and secondary industries must be emphasized.
4.	MONETARY ECONOMICS	
4.1	<i>Money</i>	
4.1.1	Modern moneys	Definition Notes, coins and deposit money. Explain deposit money briefly.
4.1.2	The technical functions of money	Explain medium of exchange, unit of account, store of value, standard of deferred payment.
4.1.3	Money-associated instruments	
4.1.3.1	Cheques	Emphasise that the function of a cheque is to transfer money (a claim on money), but is not money itself.
4.1.3.2	Credit cards	These allow access to credit. Money is eventually used to settle the account. These instruments are not money itself. (Discuss briefly the different types of credit cards.)
4.1.4	The national character of money	It is only accepted within the country of origin.
4.2	<i>Banking</i>	
4.2.1	The different types of banks in S.A.	The student must be able to list these.
4.2.2	The functions of each one of the different types of banks established in terms of the 1965 Banks Act	Refer to the functions of each briefly. Elaborate on the functions of commercial banks.
4.2.3	The difference between banks and quasi banks	Note that the activities of the National Finance Corporation are similar to those of the discount houses.
4.2.4	The South African Reserve Bank	Discuss ownership and management. Mention that it does not offer banking services to the general public.
4.2.5	The Land and Agricultural Bank of S.A. and its functions	Not a bank in terms of the Banks Act.
4.2.6	The Post Office Savings Bank	Not a bank in terms of the Banks Act. Briefly explain its operation.
4.3	<i>Credit</i>	
4.3.1	The difference between money and credit	
4.3.2	The various forms of credit	List and explain.
4.3.2.1	Overdrafts	Emphasize that these are cheque accounts at commercial Banks.
4.3.2.2	Instalment Purchases Credit	
4.3.2.3	Personal loans	
4.3.2.4	Bills	The different types of bills are not important.
4.3.2.5	Trade credit	
4.3.2.6	Bankers Acceptances	
4.4	<i>Other Financial Institutions and Their Functions</i>	Discuss briefly
4.4.1	Building Societies	
4.4.2	Insurance Companies	

DETAILS

STUDY GUIDE

- 4.4.3 Unit Trusts
- 4.4.4 Pension Funds
- 4.5 A Brief Historical Review of Banking and Money in South Africa
- 5. EXAMINATION:
A three-hour paper is recommended
A healthy balance between questions testing the candidate's insight and direct, essay-type questions is required

Refer to the different currency units used in South Africa

SYLLABUS: ECONOMICS: STANDARD 9: (HIGHER GRADE)

1. DEMAND AND CONSUMPTION

- 1.1 *Wants*
 - 1.1.1 Nature
 - 1.1.2 Scope
 - 1.1.3 Changes
 - 1.1.4 Satisfaction and influence of advertisements
- 1.2 *Utility*
 - 1.2.1 The relationship between utility and demand
 - 1.2.2 Free and economic goods
 - 1.2.3 Marginal utility, and the Law of Diminishing Marginal Utility
- 1.3 *Value*
 - 1.3.1 The relationship between utility, value and the price of an article
 - 1.3.2 Factors which determine value
 - 1.3.3 Value in exchange, price and cost of production
- 1.4 *Consumer Demand*
 - 1.4.1 Meaning
 - 1.4.2 Relationship between demand and price
 - 1.4.3 The demand table and the demand curve and the Law of Demand and consumer surplus. The problem of determining demand schedules, reasons for downward trend of demand curves, exceptional demand curves, elasticity and the factors influencing it

General: Emphasis on consolidation and expansion of concepts which should be dealt with fairly extensively. Refer to modern developments and tendencies in this connection.

1.1 An intensive study is necessary. It is desirable that the teacher should also emphasize the judicious satisfaction of wants with available means.

If the concepts value, marginal utility and the Law of Diminishing Utility are illustrated by selected examples, pupils will understand this all more quickly and effectively.

An extensive study of the marginal utility theory as applied to value is required.

Deal with this thoroughly and in such a way that it can be developed with production curves to price forming on the perfect market.

If an example can be used illustrating why the demand curves normally decline from left to right, pupils will understand this better and it will serve as the foundation for a better grasp of the logical relationship between various related concepts. Only an elementary treatment of consumer surplus is necessary.

In respect of elasticity of demand the meaning of the concept elasticity, the factors which influence it and forms of elasticity are expected.

2. PRODUCTION OF ECONOMIC GOODS AND SERVICES

- 2.1 The creation of economic goods and services by the four factors of production
- 2.2 *Factors of Production*
 - 2.2.1 *Natural Resources*
 - Description
 - Characteristics
 - Functions
 - Availability and economic significance
 - Factors influencing their productivity
 - Their mobility
 - 2.2.2 *Labour*
 - Description

A reasonably intensive study is required. The four factors of production should be identified and the relationship stressed.

Linking up with the practical situation and South African conditions are essential.

Reference to the State as producer and also state interference and control, where applicable, is required.

DETAILS

STUDY GUIDE

- Characteristics
- Classification
- Availability and economic significance
- Factors influencing productivity
- Factors influencing mobility
- 2.2.3 *Capital*
 - Description
 - Functions
 - Availability and economic significance
 - Classification (the following kinds)
 - Monetary capital
 - Real capital: Fixed
 - Floating
 - Mobility
 - Capital formation
- 2.2.4 *The Entrepreneur*
 - Description
 - Functions
 - Availability and economic significance
 - Attributes
 - Mobility and factors influencing mobility
- 2.3 *Forms of Enterprise*
 - Form of enterprise, with reference to nature, economic significance and the exercise of the entrepreneur's function
 - Sole owner
 - Partnership
 - Limited companies
 - Co-operative associations: Agricultural
 - Consumers'
 - State enterprises
- 2.4 *Classification of Productive Activities*
 - Primary, secondary and tertiary industries and personal services
- 2.5 *Division of Labour as a Feature of the Modern Production System:*
 - Significance
 - Forms (social, technical and geographic)
 - Advantages and disadvantages
- 2.6 *Mass Production as a Feature of the Modern Production System:*
 - Significance
 - Conditions
 - Advantages and disadvantages
 - Law of Diminishing Returns
 - Law of Constant Returns
 - Law of Increasing Returns
- 2.7 *Production Costs: (Also refer to par. 3)*
 - Significance
 - Difference between total and unit costs
 - Fixed costs
 - Variable costs and marginal costs
- 2.8 *The Automatic Regulation of Production*
- 3. SUPPLY
- 3.1 Significance
- 3.2 Relationship between supply and price
- 3.3 Supply table and curve and the Law of Supply

Frequently contrast the theory with the practical exercise of the entrepreneur's function in every type of enterprise. Also compare various types of enterprise in respect of its suitability for particular types of enterprise, with special reference to the Western capitalistic economic system. Formation procedures, advantages and disadvantages are not required.

Illustration with the assistance of tables and graphs is desirable. An advanced treatment is required.

An elementary treatment with a view to an introduction to the study of supply and demand is required.

Deal fully with this aspect in preparation for price forming in the perfect market. An example explaining why the supply curve normally tends to rise from left to right can contribute to the better understanding by pupils.

DETAILS	STUDY GUIDE
4. MARKETS (EXCHANGES) AND PRICE FORMATION	Only an elementary treatment of the development and economic significance of markets (with particular reference to South Africa) is required.
4.1 Description Development Economic significance of markets	
4.2 <i>Marketing Functions:</i> Description of the various functions and why they are exercised	The marketing procedure in respect of specific products and manufacturers is not included – only casual reference in order to illustrate the functions better, is required.
4.3 The role of competition in the capitalistic market economy	
4.4 The significance of and conditions for the existence of the following types of markets:	
4.4.1 Perfect market	
4.4.2 Imperfect market	Only discuss the monopoly as an imperfect market.
4.5 The reasons for imperfect competition in practice	
4.6 The market equilibrium price as determined by demand and supply under conditions of perfect competition	Elaborate on demand and supply. Price formation in a perfect market in the short term must be dealt with thoroughly. Mention that price formation in the short term differs from price formation in the long term. N.B. Price determination on an imperfect market is not included.
4.7 The economic significance of stock exchanges, with special reference to the Johannesburg Stock Exchange	Discuss the origin, the organisation and functioning of the stock exchange only for background knowledge. Emphasise this exchange as a form of a perfect market.
5. MONETARY ECONOMICS	
5.1 <i>Money</i>	
5.1.1 The origin and evolution of money	
5.1.1.1 Barter exchange and its drawbacks	
5.1.1.2 The precious metals as money	Stress the important qualities of these metals as money
5.1.1.3 The requirements to which a good medium of exchange should comply	
5.1.2 Inconvertible paper moneys	Discuss against the background of the gold standard. (No other standards should be dealt with). Emphasise that modern paper moneys are not convertible into anything but paper money.
5.1.3 Deposit money	Emphasise that this is not legal tender.
5.1.4 Other types of deposits	Include time and savings deposits. Note that medium term and savings deposits are, in South Africa, treated as quasi money. Define quasi money (near-money).
5.2 <i>Debentures, Shares and Stocks</i>	These are not money instruments but are important methods of saving.
5.3 <i>The Monetary System</i>	
5.3.1 The value of money	The meaning of money. Also discuss briefly Irving Fisher's quantity theory of money.
5.3.2 The relationship between the value of money and the value of goods	
5.3.3 Measuring the value of money	The price index. Make use of a numerical example to explain the basic principle. Mention only consumers' price indexes and wholesale price indexes.
5.3.4 Inflation and deflation	Emphasis should be on the fact that inflation is often caused by an excess increase in the quantity of money. This creates excess demand. Demand can be reduced by increasing taxes or decreasing the money supply. The term "deflation" is used in the opposite sense.
5.3.5 Effects of changes in the value of money	

DETAILS

STUDY GUIDE

- 5.4 *Monetary Control*
- 5.4.1 Concise historical review of the origin and development of banks and central banks
- 5.4.2 Money creation by the ancient goldsmiths
- 5.4.3 The basic principle of money creation
- 5.4.4 Functions of a central bank, with special reference to the South African Reserve Bank
- 5.4.4.1 Banking functions
- 5.4.4.2 Credit control functions

In discussing the historical development of banks, emphasise the necessity for control which originated from the over-issuance of notes by the banks.

- 6. EXAMINATION
- A three-hour paper is recommended
- A healthy balance between questions testing the candidate's insight and direct, essay-type questions is required

SYLLABUS: ECONOMICS: STANDARD 10 (HIGHER GRADE)

- 1. THE SUBJECT ECONOMICS
- 1.1 Definition
- 1.2 The field of study
- 1.3 The value of a study of Economics
- 1.4 The economic cycle
- 1.5 The methods of research
- 2. REMUNERATION OF FACTORS OF PRODUCTION
- 2.1 *Land Rent*
- 2.1.1 The concept "rent" and what it embraces
- 2.1.2 Ricardo's theory of rent and its shortcomings
- 2.1.3 Factors which influence rent and inequalities thereof in practice
- 2.2 *Wages*
- 2.2.1 The concept "wages" and what it embraces
- 2.2.2 The difference between nominal and real wages
- 2.2.3 The significance and simple application of time-wages, piece-wages and wage incentive systems
- 2.2.4 The marginal productivity theory
- 2.2.5 Factors which influence wages and their inequality in practice
- 2.3 *Interest*
- 2.3.1 The concept "interest"
- 2.3.2 Elementary understanding of Keynes's Liquidity preference theory
- 2.3.3 Factors which influence interest and the inequality thereof in practice
- 2.4 *Profit*
- 2.4.1 The concept "profit"
- 2.4.2 The profit and assumption of risk
- 2.4.3 The factors which influence profits
- 2.4.4 Differences between profit and the remuneration of the other factors of production
- 3. NATIONAL INCOME
- 3.1 *Terms:* The economic cycle of production and consumption to explain the terms national production, national expenditure, national income and the distribution problem in a closed economy.

A thorough study is required in order to obtain a total image of the field of study.

During the presentation of this material reference must also be made to the renting of farms, urban sites and the payment of quit rent in respect of mines.

Instruction must include reference to the role of trade unions; state action with regard to labour affairs; unemployment; a brief treatment of the labour problems of the R.S.A.

The advantages and disadvantages of the various wage systems are not required.

The latest statistics are required, but need only be indicated for the most important sectors by approximation, in order to illustrate specific tendencies.

DETAILS

STUDY GUIDE

- 3.2 *Determination of National Income*
- 3.2.1 Definition and the Component elements
- 3.3 *Problems in the Determination of National Income:*
- 3.3.1 Transfer payments
- 3.3.2 Double counting
- 3.3.3 Monetary (Nominal) and Real National Income
- 3.3.4 Services which are not included
- 3.3.5 Accuracy
- 3.4 *The Use of National Income Figures*
- 3.4.1 The concept and determination of Economic Growth
- 3.4.2 Comparison of prosperity levels
- 3.4.3 Relative importance of various sectors in the National Economy
- 3.4.4 Limitation of National Income Figures
- 3.5 *Analysis of the South African National Income*
- 3.5.1 A brief explanation of the following terms which are used in connection with statistical data in respect of the S.A. National Income:
 - 3.5.1.1 Gross Domestic Product at market prices
 - 3.5.1.2 Gross Domestic Product at factor cost
 - 3.5.1.3 Gross National Product
 - 3.5.1.4 Per Capita National Income
 - 3.5.1.5 Real Gross Domestic Product
- 3.5.2 Comparison of various years to illustrate economic structural changes and prosperity
- 3.5.3 Comparison with other countries in total and per capita
- 3.5.4 Contributions by various racial groups
- 3.5.5 Methods to increase national income
- 4. THE PRESENT ECONOMIC STRUCTURE OF SOUTH AFRICA
- 4.1 *Agriculture*
- 4.1.1 Commercialization and mechanisation of the industry
- 4.1.2 Its place in our national economy
- 4.2 *Mining*
- 4.2.1 A survey of South Africa's mineral resources
- 4.2.2 The place and role of the mining industry and particularly of gold mining in our national economy.
- 4.3 *Secondary Industries*
- 4.3.1 Desirability of industrial development
- 4.3.2 The economic importance of industry in the R.S.A. with special reference to Iscor, Escom and Sasol
- 4.3.3 The location of industries
 - 4.3.3.1 Factors to be taken into account in the choice of locality for an industrial enterprise
 - 4.3.3.2 Centralisation/Decentralisation: Description, desirability, advantages and disadvantages

In discussing the component elements the importance of *added value* should be stressed. The position of added value in relation to production and its link with the National Income should be brought out clearly.

An intensive study is required. The mutual and logical relationship between certain concepts, aspects and sectors, seen against the historical background, must constantly be indicated and emphasized, so that the formation of a total image can be fostered. Reference to the economic development and current affairs will help to breathe life into the subject.

The origin, management and control of Iscor, Escom and Sasol must be treated only as background knowledge, i.e. not for examination purposes. Emphasise the contribution of these enterprises to the industrial development in the R.S.A.

In dealing herewith, refer to local surroundings, if possible, and also to progress with industrial areas and future prospects in the Republic of S.A.

DETAILS

STUDY GUIDE

4.3.3.3 Localisation and development in Black Homelands with reference only to the role of the Development Corporations.

4.4 *The S.A. Infrastructure*

4.4.1 Transport and communication

4.4.1.1 The relationship between the development of a country's natural resources, its transport system and communication

4.4.1.2 The economic importance of our systems of transport and communication

5. INTERNATIONAL ECONOMICS

5.1 *Introductory*

5.1.1 Causes of International Trade

5.2 The theory of comparative cost

5.3 *The Balance of Payments*

5.3.1 The Current Account

5.3.1.1 The Balance of Trade

5.3.1.2 The Balance on Current Account

5.3.2 The Capital Account

5.3.2.1 Long-term capital movements

5.3.3 The Basic Balance

5.3.3.1 Short-term capital movements

5.3.4 Changes in the net gold and other foreign exchange reserves owing to balance of payments transactions

5.3.5 General characteristics and tendencies of the South African balance of payments

5.4 *Exchange Rates*

5.4.1 The Supply and Demand of foreign exchange

5.4.2 Fixed Exchange Rates

5.4.2.1 Revaluation/devaluation

5.4.3 Floating Exchange Rates

5.4.3.1 Appreciation/depreciation

5.4.4 Managed Floating

5.5 *Exchange Rate Policy in South Africa*

5.5.1 Exchange Rate policy in S.A. in historical perspective, with particular reference to recent development

5.5.2 Development of Exchange Control measures for the Rand with reference to its effects on the S.A. Economy

The various transport systems, advantages and disadvantages are not required.

Outline the need for a study of International Economics.

A link must be found with the basic problem of Economics, viz. man and his wants, as well as the fact that all countries are not suited to the production of all goods owing to climatic conditions, the availability of natural resources, etc. In particular pupils should be introduced to the most recent developments affecting South Africa.

It is necessary to have a clear understanding of the position of the various components of the balance of payments: merchandise exports, net gold output, etc.

In arriving at the balance on current account the contribution of the components should be analysed and their relative importance should be emphasized.

Analyse the contributions of the *private* and public sectors.

The relationship between *long term capital movements* and *balance on current account* should be analysed.

The relationship between *short term capital movements* and *the basic balance* should be analysed. This section should be rounded off by discussing the effect of the change (deficit/surplus) in the balance on the foreign reserves.

The contributions of the different components of the balance of payments should be examined over a period of time, for e.g. for 10 consecutive years. Particular attention should be paid to the role of gold.

Discuss parity changes in terms of revaluation and devaluation.

Also differentiate between independent floating and group floating.

Refer to the previous fixed exchange system (i.e. Link between Rand and Pound; and between Rand and U.S. Dollar). Discussion should lead to an explanation of the present exchange rate system.

Refer to the blocked rand system, securities rand system, financial rand and commercial rand.

DETAILS

STUDY GUIDE

<p>5.5.3 The Operation of the Foreign Exchange Market</p> <p>5.6 <i>The S.A. International Trade Policy</i></p> <p>5.6.1 Export Promotion</p> <p>5.6.2 Import Substitution</p> <p>5.6.3 Protection: Arguments in favour of protection and the practical problems in the application of a sound protection policy</p> <p>5.6.3.1 Forms of protection: Customs duties Export subsidies Import quotas Import restriction Import deposits</p> <p>5.6.4 Economic integration and cooperation with other states in Southern Africa</p> <p>6. THE STATE</p> <p>6.1 <i>Functions</i>: Concise review of the functions of the State</p> <p>6.2 <i>Capitalism and Socialism</i></p> <p>6.2.1 Liberal Capitalism and the theory of a centrally-planned economy</p> <p>6.2.2 The socialistic and communistic systems</p> <p>6.3 <i>The Role of the State in Production</i> (with special reference to South African conditions):</p> <p>6.3.1 The State as entrepreneur</p> <p>6.3.2 The State as legislative body</p> <p>6.3.3 The State as supplier, organiser and co-ordinator in the national economy</p> <p>6.3.4 The economic policy of the State</p> <p>6.4 <i>Budget</i></p> <p>6.4.1 Significance</p> <p>6.4.2 Division of the R.S.A. budget (Income and Loan Accounts and Cash budget). The Public Debt</p> <p>6.4.3 Stages in financial procedure (Planning, authorisation, execution and responsibility)</p> <p>6.4.4 Forms of State Income</p> <p>6.5 <i>Taxation</i></p> <p>6.5.1 Description</p> <p>6.5.2 Meaning of incidence, shifting and avoidance of taxes, progressive, regressive and proportional taxation</p> <p>6.5.3 Requirements for a good system of taxation. Test the South African Income Tax system in terms thereof</p> <p>6.5.4 Direct and indirect taxation Description Characteristics Advantages and disadvantages</p> <p>6.5.5 How taxing policy influences the economy of a country</p> <p>6.6 <i>State Expenditure</i></p> <p>6.6.1 The scope and growth of the public sector</p> <p>6.6.2 State expenditure</p> <p>6.6.3 Public goods and services</p>	<p>An elementary discussion so as to acquaint pupils with dealings in foreign currency.</p> <p>Refer to incentives. Also discuss effects on the economy.</p> <p>Refer to the importance of local production.</p> <p>General: Constant attention to the role of the State in the S.A. economy, where applicable, is necessary</p> <p>Refer to relevant legislation. Legislation, boards of marketing, control boards, their purpose and functions only serve as background study.</p> <p>An extensive study of the latest budget of the R.S.A. is desirable.</p> <p>More specific attention to the South African Income Tax system is required and only a cursory reference to other taxation, e.g. provincial taxation and taxation levied by local authorities. Theories of taxation are not required.</p> <p>An elementary treatment of the scope and growth of the public sector and the volume of state expenditure in comparison with the national income of a country; examples of public goods and services and its necessity.</p>
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7. IMPORTANT ECONOMIC TOPICS

7.1 The general importance of *water supply and conservation* with reference to a specific economic growthpoint

7.2 *Pollution*: forms and economic consequences

The marginal concept as applied to pollution must be briefly treated as well as the effect thereof on the cost aspect.

7.3 Elementary structure and functions of *trade unions*

Discuss this section in terms of the Act.

7.3.1 Definition

7.3.2 Membership

Note that membership is voluntary.

7.3.3 Aims, functions and restrictions

7.3.4 The collective bargaining process

7.3.4.1 Industrial Council

Composition

Functions

Agreements

7.3.4.2 The Industrial Court

Discuss briefly excess to, functions and limitations.

8. EXAMINATION

8.1 A question paper of THREE (3) hours, carrying 400 marks, will be set

8.2 The paper will be based only on the Standard 10 work

8.3 TEN (10) questions will be set of which SIX (6) must be answered

8.4 The paper will consist of TWO (2) sections:

8.4.1 *Section 1*: FOUR (4) indirect questions testing insight and logical reasoning will be set. TWO (2) questions must be answered from this section. Three-quarters ($\frac{3}{4}$) of the marks will be allocated to factual knowledge and the other $\frac{1}{4}$ will be allocated to insight and logical reasoning. In this section 80 marks per question will be allocated, e.g. $2 \times 80 = 160$

8.4.2 *Section 2*: SIX (6) direct questions will be set of which FOUR (4) questions must be answered. In this section 60 marks per question will be allocated, e.g. $4 \times 60 = 240$

8.5 ONE (1) compulsory equivalent question consisting of short, objective questions (e.g. a true-or-false test, multiple choice test, etc.) may be set in Section 2

8.6 When similar components of the syllabuses (HG and SG) are examined the questions should differ in their degree of difficulty

SYLLABUS FOR
ECONOMICS STANDARD GRADE
STANDARDS 8, 9 AND 10

1. THE FIELD OF STUDY OF THE SUBJECT ECONOMICS

According to its Greek origin, economics means "to keep house", i.e. to act and to take decisions in a specific manner. In Economics a study is therefore made of the national economy of a community in which reference is made to man's varied wants structure in relation to the relatively scarce productive resources which can be applied to satisfy wants, and this implies a continuous choice between alternative application possibilities.

Economics applies specifically to the theoretical aspects of the economic activities of a national economy. In the main the subject embraces the theorising of the macro-economic actualities. It is a socio-cultural science with a normative character and as such it is by nature analytic-theoretic and a study is made of the universal laws governing all economic activities. Economics therefore leads to the formulation and manipulation of abstract concepts linked in a logical system.

Owing to its scientific involvement, Economics is closely allied to other sciences, especially the human sciences. The apparent overlapping is, however, solved in the particular nature of the field of study, scientific approach, methods, etc.; consequently Economics, like any related science, has its own character which distinguishes it from other sciences.

Economics deals with the national economy as a whole and has as study object the macro-economic reality. In its scientific treatment Economics as a science follows a macro as well as a micro approach.

2. GENERAL OBJECTIVES IN THE TEACHING OF ECONOMICS
(STANDARD GRADE, ALL STANDARDS)

2.1 The teaching of Economics must have a Christian character, i.e. the subject matter, textbooks, the teacher's presentation and the class atmosphere must be in accordance with the acceptable Christian way of life.

2.2 The teaching of Economics must have a national character, i.e. it must instil in the pupil a love for and interest in what is peculiar to the Republic of South Africa and her peoples.

2.3 It must promote a critical appreciation of the South African economy which is based on free enterprise, private ownership and freedom of economic activities.

2.4 It must be of a general formative nature and vocationally directed.

3. PARTICULAR OBJECTIVES OF ECONOMICS (STANDARD GRADE - ALL STANDARDS)

3.1 It must promote insight into the South African national economy (South Africa includes the RSA and TBVC countries), the economic-historic development thereof, its particular characteristics, objectives, strong points, shortcomings and problems.

3.2 It must promote an understanding of the basic economic problems. The pupil must understand that all national economies are confronted by similiar problems but that, in view of unique circumstances, these problems cannot be handled and solved in the same way.

3.3 It must promote an understanding that solutions to such economic problems must be sought by weighing them up against particular goals, values and norms.

3.4 It must lead to the acquisition of a good basic knowledge and understanding of the economic principles attached to local, national and international economic problems to enable the pupil as a future producer, consumer and citizen to take economically based decisions.

3.5 It must promote the ability to apply an analytic approach in respect of economic problems and personal economic matters. Rational thinking must be the basis of economic action.

- 3.6 It must provide the pupil with insight into economic concepts (subject terminology) used daily in communication media and must draw attention to the generally accepted economic laws and tendencies and how they influence the South African economy.
- 3.7 It must assist in pupil to developing the ability to read statistical data, tables and graphs with more insight and understanding and to interpret these intelligently.
- 3.8 It must promote logical, abstract, objective thinking.
- 3.9 It must inspire the pupil to continue with more advanced study of the subject.
- 3.10 It must make the pupil aware of the interrelationship and interdependence of the different sectors of the economic reality as a whole.

4. THE SCOPE AND NATURE OF THE SUBJECT MATTER

The scope of the subject matter:

A substantial number of pupils studying Economics do not proceed with their studies after leaving school and for that reason a study in broad outline is to be preferred to an intensive study which is above the comprehension of secondary pupils.

The nature of the subject matter:

Both the analytic-theoretic and descriptive approaches are necessary in Economics, but the relationship will depend on the abilities of the pupils. Economics on the Standard Grade must be mainly descriptive in nature.

Differentiation in respect of subject matter (HG and SG):

Economics as a science is based on specific economic concepts and universal laws, and it is consequently difficult to differentiate on the higher and standard grades in respect of subject matter only. Differentiation, therefore, is also based on the following:

- 4.1 The stage of development, maturity and ability of the pupil
- 4.2 The relationship between the descriptive and analytic-theoretic subject matter

- 4.3 The relationship between and correlation with other economic sciences in particular and the other social sciences in general
- 4.4 The linking-up with the world and experience of the child to utilise fully the valuable potential contribution of childhood experiences. In this way learning becomes an adventure for the child, either through actual or imaginary experiences, e.g. a difference in the degree of difficulty of examples, models, case studies and graphic presentations
- 4.5 The adaptation of problem-solving assignments to the maturity and ability of the pupil
- 4.6 A study in broad outline is more or less the same in respect of both grades, but an intensive study in respect of certain aspects, especially theory, is required on the higher grade.

5. APPROACH

- 5.1 Economics must not be approached and regarded purely as an abstract subject. The mere memorising of definitions and laws must be strongly discouraged because it is educationally unsound and complicates the subject. Economics is a dynamic, futuristic subject and topical economic matters (obtained from communication media) can be used as practical examples to indicate constantly the essential connection between theory and practice.
- 5.2 A descriptive and economic-historic introduction leads to the understanding of the theory because it supplies the required background knowledge of existing institutions, systems and problems. Practical knowledge leads to a better understanding of the theoretical and vice versa.
- 5.3 Economics can and must be presented as a living subject and pupils learn either through actual experience or fantasy. Contact must be made with the world of the child before introducing abstract concepts.
- 5.4 Concentric development: Basic concepts must first be introduced and then concentrically developed from the general to the particular which must continually be consolidated so as to maintain a unity. The subject must never be presented piecemeal.

- 5.5 Stimulation of individual thinking: Pupils must be encouraged to learn more about actual economic problems so as to broaden their own experience and to note contrasting points of view so that they can develop their own ideas. Reading matter should be available in the school library for this purpose. At the same time an opportunity should be created for field study and class discussions on current economic topics within the range of understanding of the pupils to enable them to form a sounder opinion on economic matters.

6. **EXAMINATION**

- 6.1 All examination papers (Stds 8, 9 and 10) at the end of the year will be based only on the work done during that year.

- 6.2 Examination, Std 10

A question paper of 3 hours consisting of Sections A and B will be set.

Section A

One compulsory question consisting of short objective questions (e.g. true-or-false, multiple choice) covering the whole syllabus, must be set. (100 marks)

Section B

Seven direct questions, consisting of subsections, must be set, of which five must be answered. (40 marks per question, i.e. 5 questions x 40 = 200 marks)

Total 300

SYLLABUS: ECONOMICS STANDARD 8: STANDARD GRADE

The syllabus for Std 8 is an introduction to Economics and is of a descriptive nature.

NOTE: Class discussions on contemporary economic events and assignments should be stressed from Std 8.

MODULE 1

SUBJECT : INTRODUCTION: THE NATURE AND SCOPE OF ECONOMICS

WEIGHT : 30 UNITS

<u>DETAILS</u>		<u>STUDY GUIDE</u>	
1.	A GENERAL VIEW: THE WORLD AT WORK (TO SATISFY WANTS)	1 and 2	An introductory description of the subject provides pupils with practical orientation.
1.1	The individual in society		
1.2	The field of study of Economics	1.2	Consumption, production and exchange. What, how, and for whom must be produced?
1.3	A description of Economics	1.3	The basic definition
1.4	Branches of Economics	1.4	Macro-economics, micro-economics, international economics, monetary economics, public sector economics, etc. Explain these concepts by relating them to the definition of Economics. An elementary approach
2.	THE BASIC PROBLEM OF ECONOMICS	2.	Scarcity - absolute and relative. Alternatives and choice
3.	BASIC ECONOMIC CONCEPTS		
3.1	Wants	3.1	"Wants" to be related to standard of living.
3.1.1	Description		
3.1.2	Kinds		
3.1.3	Characteristics		
3.1.4	Factors influencing them		

3.2	Production		
3.2.1	Description	3.2.1	Combines factors of production - introduce only - no details.
3.2.2	Kinds of production	3.2.2	Refer to primary, secondary and tertiary industries.
3.2.3	Division of labour		
3.2.4	Consumption and capital goods		
3.3	Consumption		
3.3.1	Description		
3.3.2	Kinds (immediate and postponed)		
3.3.3	Savings		
3.4	Money		
3.4.1	Kinds		
3.4.2	Functions		
3.5	Markets		
3.5.1	Description		
3.5.2	Kinds of markets		
	(a) Produce markets (fresh products, manufactured products and services)		
	(b) Labour market		
3.6	Prices		
3.6.1	Demand		Refer to demand and supply as concepts when discussing prices - use practical examples. Show that prices are formed as a result of both demand and supply. An elementary treatment of demand and supply curves. Changes in demand and supply are not required.
3.6.2	Supply		
3.6.3	Price formation	3.6.3	Explain with the aid of graphs
3.7	Infrastructure		
3.7.1	Description		
3.7.2	Transport	3.7.2	A description only
3.7.3	Communication	3.7.3	A description only

MODULE 2

SUBJECT : STAGES OF ECONOMIC DEVELOPMENT

WEIGHT : 20 UNITS

DETAILS		STUDY GUIDE	
1.	SELF-SUFFICIENT STAGE		A concise review of the economic development of a country from the primitive stage to the modern system of large-scale production, specialisation and international trade. Not of a particular country, but only in general so that the pupil will be able to compare it with the development and structure of the South African economy, which will be dealt with in Module 3.
2.	SPECIALISATION, SURPLUSES AND BARTER		
3.	DEVELOPMENT OF A GENERALLY ACCEPTABLE MEDIUM OF EXCHANGE		
4.	MONEY		
	The origin and evolution of money		
4.1	Barter exchange and its drawbacks		
4.2	The precious metals as money	4.2	Stress the important qualities of these metals as money.
4.3	Money creation by the ancient goldsmiths		
4.4	A concise historic review of money	4.4	A concise review to bring the origin of modern money and banking in perspective
5.	FEUDALISM AND MERCANTILISM	5.	Discuss briefly.
6.	THE INDUSTRIAL REVOLUTION AND ITS INFLUENCE ON PRODUCTION AND THE STANDARD OF LIVING	6.	Emphasise the reasons why so little economic development took place during the Middle Ages, the reasons why eventually there was a revival and the circumstances which made economic progress possible.

7.

DEVELOPMENT OF OR-
GANISED MARKETS,
TRANSPORT AND COM-
MUNICATION

7.

The pupil must also gain an appreciation of the universal problems with which man has to cope and how in the past problems could progressively be solved more effectively as knowledge derived from experience increased. The pupil should also be shown that our present system is the result of long, continuous development.

MODULE 3

SUBJECT : THE DEVELOPMENT OF THE SOUTH AFRICAN ECONOMY

WEIGHT : 20 UNITS

DETAILS		STUDY GUIDE	
1.	ECONOMIC ACTIVITIES BEFORE 1652	1 and 2	Deal briefly with the economic activities of the inhabitants.
2.	ECONOMIC ACTIVITIES AFTER 1652		
2.1	The animal husbandry and agricultural stage		
2.1.1	The main characteristics of the national economy		
2.1.2	Factors which retarded and promoted economic development		
2.1.3	Economic consequences of this stage on the following:		
	(a) The development of markets		
	(b) Transport		
	(c) Communication		
	(d) Labour		
2.2	Agricultural-mining stage		
2.2.1	Main characteristics		
2.2.2	Factors which hampered and promoted mining		
2.2.3	Economic consequences of the discovery of gold and diamonds on		
	(a) the development of markets		
	(b) transport		
	(c) communication		
	(d) labour (urbanisation)		
	(e) capital inflow		
2.3	Agricultural-mining-industrial stage		
2.3.1	Main characteristics		
2.3.2	Factors which hampered and promoted industrial development		

2.3.3 Economic consequences
of industrial develop-
ment on

- (a) the development of
markets
- (b) transport
- (c) communication
- (d) labour (urbanisation)
- (e) capital inflow

3. A CONCISE HISTORIC
REVIEW OF MONEY AND
BANKING IN SOUTH AFRICA

3. Historical aspects for
background purposes
only. Trace the de-
velopment of banking to
present day banking
practices.

MODULE 4

SUBJECT : THE PARTICIPANTS OF THE ECONOMY

WEIGHT : 30 UNITS

DETAILS		STUDY GUIDE	
1.	INTRODUCTION A brief review of the participants of the economy		
2.	HOUSEHOLDS	2.	Emphasise the importance of family budgets. Indicate how factors such as income and life-style can influence the motives and means of households.
2.1	The role of households in the economy		
2.2	The motives (economic aims) of households		
2.3	The means of households		
3.	BUSINESS ENTERPRISES	3.	Briefly refer to the different kinds of business enterprises. Indicate clearly how firms attain their motives.
3.1	Kinds of business enterprises		
3.2	The motives (economic aims) of business enterprises		
3.3	The functions of business enterprises		
3.4	The means of business enterprises - the concepts profitability, solvency and liquidity	3.4	Explain briefly.
4.	THE GOVERNMENT		
4.1	The functions of a government	4.1	Functions to be discussed only as an introduction to an intensive study in Std 10.
4.2	The motives (economic aims) of the government	4.2	An elementary discussion
4.3	The means of the government	4.3	Refer only briefly to government finance as an introduction to a more intensive study in Std 10.

5.	FOREIGN SECTOR	5.	A general discussion only to indicate the importance of trade between countries. Practical examples referring to South Africa can be mentioned. Relate to the scarcity problem in par. 2 of Module 1. Foreign exchange and balance of payments are not required.
6.	THE CIRCULAR FLOW	6.	A brief outline in a closed economy
7.	BUSINESS CYCLES	7.	Refer to the circular flow.
7.1	Description		
7.2	Patterns and phases		
8.	THE SA POPULATION AND LABOUR FORCE		
8.1	Population sizes		
8.2	Heterogeneity of the population		
8.3	Population growth	8.3	International ratios and figures to be used only for meaningful comparison
8.4	Economic active population	8.4	Include employed and unemployed persons. Briefly outline the extent of employed and unemployed in the RSA, as well as cyclical, frictional and structural unemployment.
8.5	Geographical distribution		

SYLLABUS: ECONOMICS STANDARD 9: STANDARD GRADE

MODULE 1

SUBJECT : THE MEANS AND PROCESSES IN THE PRODUCTION OF ECONOMIC GOODS AND SERVICES (MACRO ECONOMICS)

WEIGHT : 40 UNITS

DETAILS		STUDY GUIDE	
1.	THE ORIGIN OF ECONOMIC GOODS AND SERVICES	1.	Explain briefly the concepts macro economics and micro economics. Emphasise throughout the dualistic nature of the RSA economy. First world and third world exist next to each other.
2.	FACTORS OF PRODUCTION	2.	Linking up with the practical situation and South African conditions is essential.
2.1	Natural resources		
2.1.1	Definition		
2.1.2	Characteristics		
2.1.3	Functions		
2.1.4	Availability and economic significance	2.1.4	An elementary review of the most important natural resources, namely minerals/agriculture/forestry/sea resources/water/energy is essential.
2.1.5	Factors influencing their productivity		
2.1.6	Their mobility		
2.1.7	Remuneration: Rent	2.1.7	During tuition refer also to the rent of farms, city premises and rent payments in respect of mines.
(a)	The concept "rent" and what it embraces		
(b)	Factors influencing rent and inequalities thereof in practice		
2.2	Labour		
2.2.1	Definition		
2.2.2	Characteristics		
2.2.3	Classification	2.2.3	Classification according to the National Manpower Commission
2.2.4	Availability and economic significance	2.2.4	Economic active people Immigration. The importance of vocational and technical training

2.2.5 Factors influencing productivity

2.2.6 Factors influencing mobility

2.2.7 Remuneration: Wages
The concept "wages" and what it embraces

2.2.7

Distinguish between nominal wages and real wages.

2.3 Capital

2.3.1 Definition

2.3.2 Functions

2.3.3 Availability and economic significance

2.3.4 Remuneration: Interest

- (a) The concept "interest"
- (b) Factors which influence interest and the inequality thereof in practice

2.4 The entrepreneur

2.4.1 Definition

2.4.2 Functions

2.4.3 Availability and economic significance

2.4.4 Remuneration: Profit

- (a) The concept "profit"
- (b) Profit and bearing of risk
- (c) Factors influencing profits

3. CLASSIFICATION OF PRODUCTION ACTIVITIES: Primary, secondary and tertiary industries

3.

Discuss in detail. Production is the process of value creation - value is added at each stage. Explain the importance of the formal and informal sectors.

4. DIVISION OF LABOUR

4.1 Significance

4.2 Forms (social, technical and geographical)

4.3 Advantages and disadvantages

5.	PRODUCTION COST		
5.1	Significance		
5.2	Difference between total and unit costs		
5.3	Fixed costs	5.3 to 5.5	Concepts only
5.4	Variable costs		
5.5	Marginal costs		
6.	MASS PRODUCTION		
6.1	Significance		
6.2	Conditions		
6.3	Advantages and disadvantages		
7.	USE OF ECONOMIC GOODS AND SERVICES		
7.1	Introduction: The use of produced goods and services as intermediate and final goods and services	7.1	Point out that the domestic goods and services are used by the four components mentioned in 7.2 - 7.5.
7.2	Private consumer spending (C)		Discuss briefly with the aid of practical examples.
7.2.1	Definition		
7.2.2	Classification		
7.3	Government spending (G)		
7.3.1	Definition		
7.3.2	Classification		
7.4	Investment (I)		
7.4.1	Definition		
7.4.2	Classification		
7.5	Gross Domestic Product	7.5	Concept only
7.5.1	Description		
7.5.2	Equation: $C + G + I = GDP$		

MODULE 2

SUBJECT : ECONOMIC SYSTEM

WEIGHT : 10 UNITS

DETAILS

STUDY GUIDE

1. THE CONCEPT: ECONOMIC SYSTEM
2. THE MARKET SYSTEM

Economic characteristics
3. SOCIALIST SYSTEMS

Economic characteristics
4. THE RSA'S MIXED ECONOMIC SYSTEM
 - 4.1 Economic characteristics
 - 4.2 Advantages
 - 4.3 Disadvantages

Discuss 2 to 4.3 in detail.

MODULE 3

SUBJECT : THE PRESENT ECONOMIC STRUCTURE OF THE REPUBLIC OF SOUTH AFRICA

WEIGHT : 20 UNITS

DETAILS		STUDY GUIDE	
1.	PRIMARY SECTOR	1 - 4	The mutual and logical relationship between the various sectors must constantly be indicated and emphasised so that the formation of a total image may be fostered. Reference to economic development and current affairs is essential.
1.1	Agriculture		
1.1.1	The influence of commercialisation and mechanisation of agriculture on the RSA's economy		
1.1.2	The economic importance of agriculture in the RSA		
1.2	Mining		
1.2.1	The RSA's mineral resources	1.2.1	An outline only to serve as introduction to paragraph 1.2.2
1.2.2	The economic importance of the mining industry and particularly the gold mining industry in the Republic of South Africa		
2.	SECONDARY SECTOR		
2.1	Composition	2.1	Manufacturing industries, including electricity, gas, water and construction
2.2	Desirability of industrial development		
2.3	The economic importance of manufacturing industries in the Republic of South Africa		
3.	TERTIARY SECTOR		
3.1	Composition	3.1	Service industries
3.2	Characteristics		
3.3	Importance		

4. **TRANSPORT AND COMMUNI-
CATION AS IMPORTANT
COMPONENTS OF THE RSA'S
INFRASTRUCTURE**

4.1 The relationship
between the develop-
ment of a country's
natural resources, its
transport system and
communication

4.2 The economic importance
of the transport and
communication systems
in the Republic of
South Africa

4.2 The various transport
systems, advantages and
disadvantages are not
required.

MODULE 4

SUBJECT : MONETARY ECONOMICS

WEIGHT : 30 UNITS

<u>DETAILS</u>		<u>STUDY GUIDE</u>	
1.	THE REQUIREMENTS WITH WHICH A GOOD MEDIUM OF EXCHANGE SHOULD COMPLY		
2.	MODERN MONEY	2.	Definition
3.	THE TECHNICAL FUNCTIONS OF MONEY	3.	Notes, coins and deposit money. Explain deposit money briefly. Explain medium of exchange, unit of account, store of value, standard of deferred payment.
4.	MONEY-ASSOCIATED INSTRUMENTS		
4.1	Cheques	4.1	Refer to the economic function of a cheque.
4.2	Credit cards	4.2	Refer to the economic function of credit cards. Also refer to other modern means of payment.
5.	THE NATIONAL IDENTITY OF MONEY		
6.	THE MONETARY SYSTEM	6.	The meaning of money
6.1	The value of money		
6.2	The relationship between the value of money and the value of goods		

- 6.3 Inflation
- 6.3.1 Definition
- 6.3.2 Causes
- 6.3.3 Consequences

7. **FINANCIAL INSTITUTIONS**

- 7.1 Banks 7.1 Outline main features briefly. No in-depth analysis is required.
- 7.1.1 Commercial banks
- 7.1.2 General banks
- 7.2 Building Societies 7.2 to Discuss the func-
- 7.3 Insurance Companies 7.3 tions briefly. Note the changing nature of their functions.

8. **CREDIT**

- 8.1 The difference between money and credit 8.1 Briefly outline the role and importance of credit in the economy.
- 8.2 The various forms of credit
- 8.2.1 Overdrafts 8.2.1 Emphasise that they are cheque accounts.
- 8.2.2 Credit agreements 8.2.2 Only the concept is required.
- 8.2.3 Personal loans 8.2.3 Only the concept is required.
- 8.2.4 Credit on open accounts 8.2.4 Only the concept is required.

9. **MONETARY POLICY**

- 9.1 Description
- 9.2 Objectives

10. **FUNCTIONS OF A CENTRAL BANK WITH SPECIAL REFERENCE TO THE SOUTH AFRICAN RESERVE BANK**

- 10.1 Banking functions
- 10.2 Credit control functions

SYLLABUS: ECONOMICS STANDARD 10: STANDARD GRADE

MODULE 1

SUBJECT : THE MEASURING OF THE RESULTS OF THE ECONOMIC PROCESSES:
NATIONAL INCOME

WEIGHT : 20 UNITS

<u>DETAILS</u>		<u>STUDY GUIDE</u>	
1.	A REVIEW OF THE PARTICIPANTS, MEANS AND PROCESSES OF THE ECONOMIC SYSTEM: THE CIRCULAR FLOW	1.	The circular flow in an open economy
2.	NATIONAL INCOME	2.	The latest statistics are required, but should only be given approximately for the most important sectors in order to illustrate specific tendencies.
2.1	Concepts: National production, national expenditure, national income and the distribution problem in a closed economy		
2.2	Determination of National Income		
2.3	Definition and the component elements	2.3	When the component elements are discussed, the importance of added value should be stressed. The position of added value in relation to production and its link with the National Income should be brought out clearly.
3.	PROBLEMS IN THE DETERMINATION OF THE NATIONAL INCOME		
3.1	Transfer payments		
3.2	Double counting		
3.3	Nominal and real National Income		
3.4	Services not included		
3.5	Accuracy		

- 4. **THE USE OF NATIONAL INCOME FIGURES**
- 4.1 The concept and determination of the economic growth rate
- 4.2 Comparison of prosperity levels
- 4.3 Relative importance of various sectors in the National Economy
- 4.4 Limitations of National Income figures

- 5. **ANALYSIS OF THE RSA'S NATIONAL INCOME**
- 5.1 A brief explanation of the following terms used in connection with statistical data in respect of the RSA's National Income:
 - 5.1.1 Gross Domestic Product
 - 5.1.2 Gross National Product
 - 5.1.3 Per capita National Income
- 5.2 Comparison of various years to illustrate economic structural changes and prosperity
 - 5.2.1 Structural changes identified 5.2.1 Increase and decrease in relative contributions made by sectors. Also outline the RSA's recent experience.
 - 5.2.2 Cyclical behaviour 5.2.2
- 5.3 Comparison with other countries in total and per capita
- 5.4 Contributions by various population groups

- 6. **METHODS TO INCREASE NATIONAL INCOME: ECONOMIC GROWTH**
- 6.1 Significance and importance
- 6.2 Methods
 - Increase in productivity
- 6.3 The RSA's recent growth experience

- 6. A broad outline only

MODULE 2

SUBJECT : PRICE FORMATION (MICRO ECONOMICS)

WEIGHT : 25 UNITS

DETAILS		STUDY GUIDE	
1.	WANTS	1.	GENERAL: Emphasis on consolidation and explanation of concepts which should be dealt with fairly extensively. Refer to relevant developments and tendencies in this connection. An intensive study is necessary. The teacher should also emphasise judicious satisfaction of wants with available means.
1.1	Nature		
1.2	Scope		
1.3	Changes		
1.4	Insatiability		
2.	UTILITY	2.	The concepts value, marginal utility must be illustrated by means of selected examples.
2.1	The relationship between utility and demand		
2.2	Free and economic goods		
3.	VALUE		
3.1	The relationship between utility, value and the price of an article		
3.2	Factors which determine value		
3.3	Value in exchange, price and cost of production		

- | | | | |
|--|---|---|---|
| <p>4.</p> <p>4.1</p> <p>4.2</p> <p>4.3</p> <p>5.</p> <p>5.1</p> <p>5.2</p> <p>5.3</p> <p>6.</p> <p>6.1</p> <p>6.2</p> <p>6.3</p> <p>7.</p> | <p>DEMAND</p> <p>Significance</p> <p>Relationship between demand and price</p> <p>The demand table and the demand curve and the Law of Demand. The problem of determining actual demand schedules, reasons for downward trend of demand curves.</p> <p>SUPPLY</p> <p>Significance</p> <p>Relationship between supply and price</p> <p>Supply table and curve and the Law of Supply</p> <p>MARKETS (EXCHANGES) AND PRICE FORMATION</p> <p>Definition</p> <p>Development</p> <p>Economic significance of markets</p> <p>THE ROLE OF COMPETITION IN THE MARKET ECONOMY</p> | <p>4.</p> <p>4.3</p> <p>5.3</p> <p>6.</p> | <p>Deal with this thoroughly and in such a way that it can be developed by means of production curves to price formation on the perfect market. Use examples illustrating why the demand curves normally decline from left to right.</p> <p>Only an elementary treatment</p> <p>Deal fully with this aspect in preparation of price formation on the perfect market. Use an example illustrating why the supply curves normally tend to rise from left to right.</p> <p>Only an elementary treatment of the development and economic significance of markets (with particular reference to South Africa) is required.</p> |
|--|---|---|---|

8. THE SIGNIFICANCE OF AND
CONDITIONS FOR THE
EXISTENCE OF A PERFECT
MARKET

9. MARKET EQUILIBRIUM
PRICE AS DETERMINED BY
DEMAND AND SUPPLY UNDER
CONDITIONS OF PERFECT
COMPETITION

9. Elaborate on demand and
supply. Price for-
mation on a perfect
market in the short
term must be dealt with
thoroughly. Mention
that price formation in
the short term differs
from price formation in
the long term.

NB: Price determination on
an imperfect market is
not included.

MODULE 3

SUBJECT : ECONOMICS DEVELOPMENT, REGIONAL DEVELOPMENT AND URBANISATION

WEIGHT : 15 UNITS

DETAILS		STUDY GUIDE	
1.	ECONOMIC DEVELOPMENT		
1.1	Development as an economic goal	1.1	International and regional
1.2	Characteristics of underdeveloped economies		
1.3	Development strategies	1.3	Refer to the role of the Industrial Development Corporation and the Small Business Development Corporation.
2.	REGIONAL DEVELOPMENT		
2.1	The aims		
2.2	The principles		
2.3	The RSA's regional development policies		
3.	URBANISATION		
3.1	Reasons for urbanisation	3.1	Also refer to tendencies in other countries.
3.2	Advantages and disadvantages		
3.3	Growth and development potential		
3.4	The RSA's policy with regard to urbanisation		
4.	THE INFORMAL SECTOR IN REGIONAL AND URBAN DEVELOPMENT		
4.1	Description		
4.2	Characteristics		
4.3	Role and potential		
4.4	Policies		

MODULE 4

SUBJECT : INTERNATIONAL ECONOMICS

WEIGHT : 15 UNITS

<u>DETAILS</u>		<u>STUDY GUIDE</u>	
1.	INTRODUCTION Causes of international trade	1.	Outline the need for a study of international trade. A link must be found with the basic problem of Economics, i.e. man and his wants, as well as the fact that all countries are not suited to the production of all goods owing to climatic conditions, the availability of national resources, etc. In particular pupils should be introduced to the most recent developments affecting South Africa.
2.	THE BALANCE OF PAYMENTS ACCOUNT	2.	Description. Outline the main sections. Explain the importance of the main sections and balances.
3.	EXCHANGE RATES	3.	Concept description
3.1	Definition and types	3.1	Briefly
3.2	The demand for and supply of foreign exchange	3.2	Refer to the commercial rand in South Africa.
4.	THE RSA INTERNATIONAL TRADE	4.	Refer briefly to disinvestment, sanctions and boycotts.
4.1	Export promotion	4.1	Refer only to the importance of incentives and not the detail. Also discuss the effects on the economy.

4.2	Import substitution	4.2	Refer to the importance of local production.
4.3	Protection		
4.3.1	Arguments in favour of protection		
4.3.2	Forms of protection:		
	Customs duties		
	Export subsidies		
	Import quotas		
	Import restrictions		
	Import deposits		

MODULE 5

SUBJECT : THE STATE

WEIGHT : 15 UNITS

<u>DETAILS</u>		<u>STUDY GUIDE</u>	
1.	A CONCISE SURVEY OF THE FUNCTIONS OF THE STATE	1.	Constant attention to the role of the State in the RSA's economy, where applicable, is necessary.
2.	THE ROLE OF THE STATE IN PRODUCTION (WITH SPECIAL REFERENCE TO SOUTH AFRICAN CONDITIONS)		
2.1	The State as entrepreneur		
2.2	The State as supplier, organiser and coordinator in the national economy	2.2	Refer to the degree of state control and state intervention in the economy. Refer to deregulation
2.3	The economic policy of the State	2.3 and 2.4	Introduction to concepts only
2.4	The fiscal policy of the State		
3.	STATE EXPENDITURE		
3.1	The scope and growth of the public sector	3.1	An elementary treatment of the scope and growth of the public sector and the volume of state expenditure in comparison with the national income of a country; examples of public goods and services and their necessity. Privatisation - reasons and aims
3.2	State expenditure		
3.3	Public goods and services		

4.	BUDGET	4.	A broad outline of the most recent budget of the RSA is required.
4.1	Significance		
4.2	Division of the RSA's budget		
4.2.1	State income and expenditure account		
4.2.2	Deficit before loans		
4.2.3	The financing of the deficit before loans: public debt: origin, sources (domestic and abroad) and service of		
4.3	Stages in financial procedure (Planning, authorisation, execution and responsibility)		
4.4	Forms of State Income		
5.	TAXATION		
5.1	Description		
5.2	Meaning of incidence, shifting and avoidance of taxes, progressive, regressive, proportional taxation		
5.3	Requirements for a good system of taxation	5.3	Theories of taxation are not required.
5.4	Direct and Indirect taxation		
5.4.1	Description		
5.4.2	Characteristics		
5.4.3	Advantages and disadvantages		

CHOICE MODULES

SUBJECT : IMPORTANT SOUTH AFRICAN ECONOMIC SUBJECTS
WEIGHT : 5 UNITS EACH: TWO SUBJECTS MUST BE CHOSEN

DETAILS		STUDY GUIDE
1.	LABOUR RELATIONS	
1.1	The labour question in South Africa: Demand, supply and wages	
1.2	Trade unions	
1.2.1	Definition	
1.2.2	Membership	
1.2.3	Aims, functions and restrictions	
1.2.4	The collective bargaining process	1.2.4 Discuss access, functions and restrictions briefly.
(a)	Industrial Councils Composition Functions Agreements	
(b)	The Industrial Court	
(c)	The Wage Board	
2.	PRODUCTIVITY AND UNEMPLOYMENT	2. Discuss in detail.
2.1	Productivity	
2.1.1	Description	
2.1.2	Advantages	
2.1.3	Disadvantages	
2.1.4	Measuring of productivity	
2.1.5	Measures to increase it	
2.2	Unemployment	
2.2.1	Description	
2.2.2	Kinds and characteristics	
2.2.3	Causes	
2.2.4	Consequences	
2.2.5	Measuring unemployment	
2.2.6	Measures to combat unemployment	

- 3. INFLATION
 - 3.1 Description
 - 3.2 Kinds and characteristics
 - 3.3 Causes
 - 3.4 Consequences
 - 3.5 The inflation problem in the RSA
 - 3.6 Measures of control
-

3. Discuss in detail.

- 4. STRATEGIC RESOURCES IN THE RSA
 - 4.1 Water supply and conservation: The general importance of water supply and conservation
 - 4.2 Energy, needs and supply
 - 4.3 Other strategic economic activities
-

4.3 For example, the ADE project and Armscor

SYLLABUS FOR
ECONOMICS HIGHER GRADE
STANDARDS 8, 9 AND 10

1. THE FIELD OF STUDY OF THE SUBJECT ECONOMICS

According to its Greek origin, economics means "to keep house", i.e. to act and to take decisions in a specific manner. In Economics a study is therefore made of the national economy of a community in which reference is made to man's varied wants structure in relation to the relatively scarce productive resources which can be applied to satisfy wants, and this implies a continuous choice between alternative application possibilities.

Economics applies specifically to the theoretical aspects of the economic activities of a national economy. In the main the subject embraces the theorising of the macro-economic actualities. It is a socio-cultural science with a normative character and as such it is by nature analytic-theoretic and a study is made of the universal laws governing all economic activities. Economics therefore leads to the formulation and manipulation of abstract concepts linked in a logical system.

Owing to its scientific involvement, Economics is closely allied to other sciences, especially the human sciences. The apparent overlapping is, however, solved in the particular nature of the field of study, scientific approach, methods, etc.; consequently Economics, like any related science, has its own character which distinguishes it from other sciences.

Economics deals with the national economy as a whole and has as study object the macro-economic reality. In its scientific treatment Economics as a science follows a macro as well as a micro approach.

2. GENERAL OBJECTIVES IN THE TEACHING OF ECONOMICS
(HIGHER GRADE, ALL STANDARDS)

- 2.1 The teaching of Economics must have a Christian character, i.e. the subject matter, textbooks, the teacher's presentation and the class atmosphere must be in accordance with the acceptable Christian way of life.
- 2.2 The teaching of Economics must have a national character, i.e. it must instil in the pupil a love for and interest in what is peculiar to the Republic of South Africa and her peoples.
- 2.3 It must promote a critical appreciation of the South African economy which is based on free enterprise, private ownership and freedom of economic activities.
- 2.4 It must be of a general formative nature and vocationally directed.

3. PARTICULAR OBJECTIVES OF ECONOMICS (HIGHER GRADE - ALL STANDARDS)

- 3.1 It must promote insight into the South African national economy (South Africa includes the RSA and TBVC countries), the economic-historic development thereof, its particular characteristics, objectives, strong points, shortcomings and problems.
- 3.2 It must promote an understanding of the basic economic problems. The pupil must understand that all national economies are confronted by similiar problems but that, in view of unique circumstances, these problems cannot be handled and solved in the same way.
- 3.3 It must promote an understanding that solutions to such economic problems must be sought by weighing them up against particular goals, values and norms.
- 3.4 It must lead to the acquisition of a good basic knowledge and understanding of the economic principles attached to local, national and international economic problems to enable the pupil as a future producer, consumer and citizen to take economically based decisions.
- 3.5 It must promote the ability to apply an analytic approach in respect of economic problems and personal economic matters. Rational thinking must be the basis of economic action.

- 3.6 It must provide the pupil with insight into economic concepts (subject terminology) used daily in communication media and must draw attention to the generally accepted economic laws and tendencies and how they influence the South African economy.
- 3.7 It must assist the pupil in developing the ability to read statistical data, tables and graphs with more insight and understanding and to interpret these intelligently.
- 3.8 It must promote logical, abstract, objective thinking.
- 3.9 It must inspire the pupil to continue with more advanced study of the subject.
- 3.10 It must make the pupil aware of the interrelationship and interdependence of the different sectors of the economic reality as a whole.

4. THE SCOPE AND NATURE OF THE SUBJECT MATTER

The scope of the subject matter:

A substantial number of pupils studying Economics do not proceed with their studies after leaving school and for that reason a study in broad outline is to be preferred to an intensive study which is above the comprehension of secondary pupils.

The nature of the subject matter:

Both the analytic-theoretic and descriptive approaches are necessary in Economics, but the relationship will depend on the abilities of the pupils. The necessary balance between the descriptive and analytic-theoretic approach must be maintained for the Higher Grade.

Differentiation in respect of subject matter (HG and SG):

Economics as a science is based on specific economic concepts and universal laws, and it is consequently difficult to differentiate on the higher and standard grades in respect of subject matter only. Differentiation, therefore, is also based on the following:

- 4.1 The stage of development, maturity and ability of the pupil

- 4.2 The relationship between the descriptive and analytic-theoretic subject matter
- 4.3 The relationship between and correlation with other economic sciences in particular and the other social sciences in general
- 4.4 The linking-up with the world and experience of the child to utilise fully the valuable potential contribution of childhood experiences. In this way learning becomes an adventure for the child, either through actual or imaginary experiences, e.g. a difference in the degree of difficulty of examples, models, case studies and graphic presentations
- 4.5 The adaptation of problem-solving assignments to the maturity and ability of the pupil
- 4.6 A study in broad outline is more or less the same in respect of both grades but an intensive study in respect of certain aspects, especially theory, is required on the higher grade.

5. APPROACH

- 5.1 Economics must not be approached and regarded purely as an abstract subject. The mere memorising of definitions and laws must be strongly discouraged because it is educationally unsound and complicates the subject. Economics is a dynamic, futuristic subject and topical economic matters (obtained from communication media) can be used as practical examples to indicate constantly the essential connection between theory and practice.
- 5.2 A descriptive and economic-historic introduction leads to the understanding of the theory because it supplies the required background knowledge of existing institutions, systems and problems. Practical knowledge leads to a better understanding of the theoretical and vice versa.
- 5.3 Economics can and must be presented as a living subject and pupils learn either through actual experience or fantasy. Contact must be made with the world of the child before introducing abstract concepts.
- 5.4 Concentric development: Basic concepts must first be introduced and then concentrically developed from the general to the particular which must continually be consolidated so as to maintain a unity. The subject must never be presented piecemeal.

- 6.5 Stimulation of individual thinking: Pupils must be encouraged to learn more about actual economic problems so as to broaden their own experience and to note contrasting points of view so that they can develop their own ideas. Reading matter should be available in the school library for this purpose. At the same time an opportunity should be created for field study and class discussions on current economic topics within the range of understanding of the pupils to enable them to form a sounder opinion on economic matters.

6. **EXAMINATION**

- 6.1 All examination papers (Stds 8, 9 and 10) at the end of the year will be based only on the work done during that year.

- 6.2 Examination, Std 10

A question paper of 3 hours consisting of Sections A, B and C will be set.

Section A

One compulsory question consisting of short objective questions (e.g. true-or-false, multiple choice) covering the whole syllabus, must be set. (100 marks)

Section B

Four indirect (indirect means that the question does not indicate subsections) questions requiring logical reasoning must be set. Two questions must be answered from this section. (50 marks per question, i.e. 2 questions x 50 marks = 100 marks.)

Section C

Six direct questions, consisting of subsections, will be set, of which four must be answered. (50 marks per question, i.e. 4 questions x 50 = 200 marks).

Total 400

- 6.3 When similar components of the syllabuses (HG and SG) of the different standards are examined, the questions should differ in their degree of difficulty.

SYLLABUS: ECONOMICS STANDARD 8: HIGHER GRADE

The syllabus for Std 8 is an introduction to Economics and is of a descriptive nature.

NOTE: Class discussions on contemporary economic events and assignments should be stressed from Std 8.

MODULE 1

SUBJECT : INTRODUCTION: THE NATURE AND SCOPE OF ECONOMICS

WEIGHT : 30 UNITS

DETAILS		STUDY GUIDE	
1.	A GENERAL VIEW: THE WORLD AT WORK (TO SATISFY WANTS)	1 and 2	An introductory description of the subject provides pupils with practical orientation.
1.1	The individual in society		
1.2	The field of study of Economics	1.2	Consumption, production and exchange. What, how, and for whom must be produced?
1.3	A description of Economics	1.3	The basic definition
1.4	Branches of Economics	1.4	Macro-economics, micro-economics, international economics, monetary economics, public sector economics, etc. Explain these concepts by relating them to the definition of Economics. An elementary approach
2.	THE BASIC PROBLEM OF ECONOMICS	2.	Scarcity - absolute and relative. Alternatives and choice
3.	BASIC ECONOMIC CONCEPTS		
3.1	Wants	3.1	"wants" to be related to standard of living.
3.1.1	Description		
3.1.2	Kinds		
3.1.3	Characteristics		
3.1.4	Factors influencing them		

3.2	Production		
3.2.1	Description	3.2.1	Combines factors of production - introduce only - no details.
3.2.2	Kinds of production	3.2.2	Refer to primary, secondary and tertiary industries.
3.2.3	Division of labour		
3.2.4	Consumption and capital goods		
3.3	Consumption		
3.3.1	Description		
3.3.2	Kinds (immediate and postponed)		
3.3.3	Savings		
3.4	Money		
3.4.1	Kinds		
3.4.2	Functions		
3.5	Markets		
3.5.1	Description		
3.5.2	Kinds of markets		
	(a) Produce markets (fresh products, unmanufactured products and services)		
	(b) Labour market		
3.6	Prices		
3.6.1	Demand		Refer to demand and supply as concepts when discussing prices - use practical examples. Show that prices are formed as a result of both demand and supply curves. An elementary treatment of demand and supply curves. Changes in demand and supply are not required.
3.6.2	Supply		
3.6.3	Price formation	3.6.3	Explain with the aid of graphs
3.7	Infrastructure		
3.7.1	Description		
3.7.2	Transport	3.7.2	A description only
3.7.3	Communication	3.7.3	A description only

MODULE 2

SUBJECT : STAGES OF ECONOMIC DEVELOPMENT

WEIGHT : 20 UNITS

DETAILS		STUDY GUIDE	
1.	SELF-SUFFICIENT STAGE		
2.	SPECIALISATION, SURPLUSES AND BARTER		
3.	DEVELOPMENT OF A GENERALLY ACCEPTABLE MEDIUM OF EXCHANGE		
4.	MONEY		
	The origin and evolution of money		
4.1	Barter exchange and its drawbacks		
4.2	The precious metals as money	4.2	Stress the important qualities of these metals as money.
4.3	Money creation by the ancient goldsmiths		
4.4	A concise historic review of money	4.4	A concise review to bring the origin of modern money and banking in perspective
5.	FEUDALISM AND MERCANTILISM	5.	Discuss briefly.
6.	THE INDUSTRIAL REVOLUTION AND ITS INFLUENCE ON PRODUCTION AND THE STANDARD OF LIVING	6.	Emphasise the reasons why so little economic development took place during the Middle Ages, the reasons why eventually there was a revival and the circumstances which made economic progress possible.

7.

**DEVELOPMENT OF ORGA-
NISED MARKETS, TRANS-
PORT AND COMMUNICATION**

7.

The pupil must also gain an appreciation of the universal problems with which man has to cope and how in the past problems could progressively be solved more effectively as knowledge derived from experience increased. The pupil should also be shown that our present system is the result of long, continuous development.

MODULE 3

SUBJECT : THE DEVELOPMENT OF THE SOUTH AFRICAN ECONOMY

WEIGHT : 20 UNITS

DETAILS

STUDY GUIDE

1.	ECONOMIC ACTIVITIES BEFORE 1652	1 and 2	Deal briefly with the economic activities of the inhabitants.
2.	ECONOMIC ACTIVITIES AFTER 1652		
2.1	The animal husbandry and agricultural stage		
2.1.1	The main characteristics of the national economy		
2.1.2	Factors which retarded and promoted economic development		
2.1.3	Economic consequences of this stage on the following:		
	(a) The development of markets		
	(b) Transport		
	(c) Communication		
	(d) Labour		
2.2	Agricultural-mining stage		
2.2.1	Main characteristics		
2.2.2	Factors which hampered and promoted mining		
2.2.3	Economic consequences of the discovery of gold and diamonds on		
	(a) the development of markets		
	(b) transport		
	(c) communication		
	(d) labour (urbanisation)		
	(e) capital inflow.		
2.3	Agricultural-mining-industrial stage		
2.3.1	Main characteristics		
2.3.2	Factors which hampered and promoted industrial development		

2.3.3 Economic consequences
of industrial develop-
ment on

- (a) the development of
markets
- (b) transport
- (c) communication
- (d) labour (urbanisation)
- (e) capital inflow.

3. A CONCISE HISTORIC
REVIEW OF MONEY AND
BANKING IN SOUTH AFRICA

3. Historical aspects for
background purposes
only. Trace the
development of banking
to present day banking
practices.

MODULE 4

SUBJECT : THE PARTICIPANTS OF THE ECONOMY

WEIGHT : 30 UNITS

DETAILS		STUDY GUIDE	
1.	INTRODUCTION		
	A brief review of the participants of the economy		
2.	HOUSEHOLDS	2.	Emphasise the importance of family budgets. Indicate how factors such as income and life-style can influence the motives and means of households.
2.1	The role of households in the economy		
2.2	The motives (economic aims) of households		
2.3	The means of households		
3.	BUSINESS ENTERPRISES	3.	Briefly refer to the different kinds of business enterprises. Indicate clearly <u>how</u> firms attain their motives.
3.1	Kinds of business enterprises		
3.2	The motives (economic aims) of business enterprises		
3.3	The functions of business enterprises		
3.4	The means of business enterprises - the concepts profitability, solvency and liquidity	3.4	Explain briefly.
4.	THE GOVERNMENT		
4.1	The functions of a government	4.1	Functions to be discussed only as an introduction to an intensive study in Std 10.
4.2	The motives (economic aims) of the government	4.2	An elementary discussion
4.3	The means of the government	4.3	Refer only briefly to government finance as an introduction to a more intensive study in Std 10.

5.	FOREIGN SECTOR	5.	A general discussion only to indicate the importance of trade between countries. Practical examples referring to South Africa can be mentioned. Relate to the scarcity problem in par. 2 of Module 1. Foreign exchange and balance of payments are not required.
6.	THE CIRCULAR FLOW	6.	A brief outline in a closed economy
7.	BUSINESS CYCLES	7.	Refer to the circular flow.
7.1	Description		
7.2	Patterns and phases		
8.	THE SA POPULATION AND LABOUR FORCE		
8.1	Population sizes		
8.2	Heterogeneity of the population		
8.3	Population growth	8.3	International ratios and figures to be used only for meaningful comparison
8.4	Economic active population	8.4	Include employed and unemployed persons. Briefly outline the extent of employed and unemployed in the RSA, as well as cyclical, frictional and structural unemployment.
8.5	Geographical distribution		

SYLLABUS: ECONOMICS STANDARD 9: HIGHER GRADE

MODULE 1

SUBJECT : THE MEANS AND PROCESSES IN THE PRODUCTION OF ECONOMIC GOODS AND SERVICES (MACRO ECONOMICS)

WEIGHT : 40 UNITS

<u>DETAILS</u>		<u>STUDY GUIDE</u>	
1.	THE ORIGIN OF ECONOMIC GOODS AND SERVICES	1.	Explain briefly the concepts macro economics and micro economics. Emphasise throughout the dualistic nature of the RSA economy - first world and third world exist next to each other.
2.	FACTORS OF PRODUCTION	2.	Linking up with the practical situation and South African conditions is essential.
2.1	Natural resources		
2.1.1	Definition		
2.1.2	Characteristics		
2.1.3	Functions		
2.1.4	Availability and economic significance	2.1.4	An elementary review of the most important natural resources, namely minerals/agriculture/forestry/sea resources/water/energy is essential.
2.1.5	Factors influencing their productivity		
2.1.6	Their mobility		
2.1.7	Remuneration: Rent	2.1.7	During tuition refer also to the rent of farms, city premises and rent payments in respect of mines.
(a)	The concept "rent" and what it embraces		
(b)	Factors influencing rent and inequalities thereof in practice		
2.2	Labour		
2.2.1	Definition		
2.2.2	Characteristics		
2.2.3	Classification	2.2.3	Classification according to the National Manpower Commission
2.2.4	Availability and economic significance	2.2.4	Economic active people Immigration. The importance of vocational and technical training

- 2.2.5 Factors influencing productivity
- 2.2.6 Factors influencing mobility
- 2.2.7 Remuneration: Wages
 - (a) The concept "wages" and what it embraces 2.2.7(a) Distinguish between nominal wages and real wages.
 - (b) Factors which influence wages and the inequality thereof in practice
- 2.3 Capital
 - 2.3.1 Definition
 - 2.3.2 Functions
 - 2.3.3 Availability and economic significance
 - 2.3.4 Classification (the following kinds): 2.3.4 Brief treatment with the aid of examples
 - (a) Money capital
 - (b) Real capital: Fixed working
 - 2.3.5 Mobility
 - 2.3.6 Capital formation
 - 2.3.7 Remuneration: Interest
 - (a) The concept "interest"
 - (b) Factors which influence interest and the inequality thereof in practice
- 2.4 The entrepreneur
 - 2.4.1 Definition
 - 2.4.2 Functions
 - 2.4.3 Availability and economic significance
 - 2.4.4 Mobility and factors influencing mobility
 - 2.4.5 Remuneration: Profit
 - (a) The concept "profit"
 - (b) Profit and bearing of risk
 - (c) Factors influencing profits
- 3. CLASSIFICATION OF PRODUCTION ACTIVITIES: Primary, secondary and tertiary industries 3. Discuss in detail. Production is the process of value creation - value is added at each stage. Explain the importance of the formal and the informal sectors.

4.	DIVISION OF LABOUR		
4.1	Significance		
4.2	Forms (social, technical and geographical)		
4.3	Advantages and disadvantages		
5.	PRODUCTION COSTS		
5.1	Significance		
5.2	Difference between total and unit costs		
5.3	Fixed costs	5.3	A micro economic explanation is required.
5.4	Variable costs	to 5.5	
5.5	Marginal costs		
6.	MASS PRODUCTION		
6.1	Significance		
6.2	Conditions		
6.3	Advantages and disadvantages		
6.4	Law of Diminishing Returns		
6.5	Law of Constant Returns		
6.6	Law of Increasing Returns		
7.	THE AUTOMATIC REGULATION OF PRODUCTION	7.	Refer to optimum point in micro-economic terms
8.	USE OF ECONOMIC GOODS AND SERVICES		
8.1	Introduction: The use of produced goods and services as intermediate and final goods and services		Point out that the domestic goods and services are used by the four components mentioned in 8.2 - 8.6.
8.2	Private consumer spending (C)	8.2	Discuss briefly with the aid of practical examples.
8.2.1	Definition	to	
8.2.2	Classification	8.6	

8.3 Government spending (G)

8.3.1 Definition

8.3.2 Classification

8.4 Investment (I)

8.4.1 Definition

8.4.2 Classification

8.5 Gross Domestic Product

8.5 Concept only

8.5.1 Description

8.5.2 Equation:

$$C + G + I = \text{GDP}$$

8.6 Gross National Product

8.6.1 Description

8.6.2 Exports (X)

8.6.3 Imports (Z)

8.6.4 Equation:

$$C + G + I + (X - Z) = \text{GNP}$$

8.6.4

The equation changes if exports (X) and imports (Z) are brought into account. Serves as background knowledge for an intensive study of National Income in Std 10.

MODULE 2

SUBJECT : ECONOMIC SYSTEM

WEIGHT : 10 UNITS

DETAILS

STUDY GUIDE

1. THE CONCEPT: ECONOMIC SYSTEM

2. THE MARKET SYSTEM

Economic characteristics

3. SOCIALIST SYSTEMS

Economic characteristics

4. THE RSA'S MIXED ECONOMIC SYSTEM

4.1 Economic characteristics

4.2 Advantages

4.3 Disadvantages

Discuss 2 to 4.3 in detail. A critical comparison of the systems is required. Systems must be compared with each other in respect of the economic characteristics of each

MODULE 3

SUBJECT : THE PRESENT ECONOMIC STRUCTURE OF THE REPUBLIC OF SOUTH AFRICA

WEIGHT : 20 UNITS

<u>DETAILS</u>		<u>STUDY GUIDE</u>	
1.	PRIMARY SECTOR	1 - 4	The mutual and logical relationship between the various sectors must constantly be indicated and emphasised so that the formation of a total image may be fostered. Reference to economic development and current affairs is essential.
1.1	Agriculture		
1.1.1	The influence of commercialisation and mechanisation of agriculture on the RSA's economy		
1.1.2	The economic importance of agriculture in the RSA		
1.2	Mining		
1.2.1	The RSA's mineral resources	1.2.1	An outline only to serve as introduction to paragraph 1.2.2
1.2.2	The economic importance of the mining industry and particularly the gold mining industry in the Republic of South Africa		
2.	SECONDARY SECTOR		
2.1	Composition	2.1	Manufacturing industries, including electricity, gas, water and construction
2.2	Desirability of industrial development		
2.3	The economic importance of manufacturing industries in the Republic of South Africa		
3.	TERTIARY SECTOR		
3.1	Composition	3.1	Service industries
3.2	Characteristics		
3.3	Importance		

4. TRANSPORT AND COMMUNICATION AS IMPORTANT COMPONENTS OF THE RSA'S INFRASTRUCTURE

4.1 The relationship between the development of a country's natural resources, its transport system and communication

4.2 The economic importance of the transport and communication systems in the Republic of South Africa

4.2 The various transport systems, advantages and disadvantages are not required.

MODULE 4

SUBJECT : MONETARY ECONOMICS

WEIGHT : 30 UNITS

DETAILS

STUDY GUIDE

1. THE REQUIREMENTS WITH WHICH A GOOD MEDIUM OF EXCHANGE SHOULD COMPLY

2. MODERN MONEY

3. THE TECHNICAL FUNCTIONS OF MONEY

4. MONEY-ASSOCIATED INSTRUMENTS

4.1 Cheques

4.2 Credit cards

5. THE NATIONAL IDENTITY OF MONEY

6. THE MONETARY SYSTEM

6.1 The value of money

6.2 The relationship between the value of money and the value of goods

6.3 Measuring the value of money

Price indexes: Consumer price index and production price index

2. Definition

3. Notes, coins and deposit money. Explain deposit money briefly. Explain medium of exchange, unit of account, store of value, standard of deferred payment.

4.1 Refer to the economic function of a cheque.

4.2 Refer to the economic function of credit cards. Also refer to other modern means of payment.

6. The meaning of money. Also discuss briefly Irving Fisher's quantity theory of money.

6.4	Inflation		
6.4.1	Definition		
6.4.2	Causes		
6.4.3	Consequences		
7.	FINANCIAL INSTITUTIONS		
7.1	Banks	7.1	Outline main features briefly. No in-depth analysis required.
7.1.1	Commercial banks		
7.1.2	General banks		
7.1.3	Merchant banks		
7.1.4	Discount houses		
7.2	The land and Agricultural Bank of South Africa and its functions	7.2 7.6	Discuss the functions briefly. Note the changing nature of their functions.
7.3	The Post Office Savings Bank and its functions		
7.4	The Development Bank of Southern Africa		
7.5	Building Societies		
7.6	Insurance Companies		
8.	CREDIT		
8.1	The difference between money and credit	8.1	Briefly outline the role and importance of credit in the economy.
8.2	The various forms of credit	8.2	Name and explain.
8.2.1	Overdrafts	8.2.1	Emphasise that they are cheque accounts.
8.2.2	Credit agreements	8.2.2	Only the concept is required.
8.2.3	Personal loans	8.2.3	Only the concept is required.
8.2.4	Credit on open accounts	8.2.4	Only the concept is required.
9.	WEALTH	9.	Briefly outline the relationship between money and wealth.
10.	MONETARY POLICY		
10.1	Description		
10.2	Objectives		
10.3	Instruments		

11. THE BASIC PRINCIPLE OF
THE CREATION OF MONEY

12. FUNCTIONS OF A CENTRAL
BANK WITH SPECIAL RE-
FERENCE TO THE SOUTH
AFRICAN RESERVE BANK

12.1 Banking functions

12.2 Credit control func-
tions

13. THE MONEY AND CAPITAL
MARKETS

13. Briefly outline the
composition, operation
and functions. The
Johannesburg Stock Ex-
change should be in-
cluded in the discus-
sion. The origin, or-
ganisation and func-
tioning of stock ex-
changes should be dis-
cussed as background
only.

SYLLABUS: ECONOMICS STANDARD 10: HIGHER GRADE

MODULE 1

SUBJECT : THE MEASURING OF THE RESULTS OF THE ECONOMIC PROCESSES:
NATIONAL INCOME

WEIGHT : 20 UNITS

<u>DETAILS</u>		<u>STUDY GUIDE</u>	
1.	A REVIEW OF THE PARTICIPANTS, MEANS AND PROCESSES OF THE ECONOMIC SYSTEM: THE CIRCULAR FLOW	1.	The circular flow in an open economy
2.	NATIONAL INCOME	2.	The latest statistics are required, but should only be given approximately for the most important sectors, in order to illustrate specific tendencies.
2.1	Concepts: National production, national expenditure, national income and the distribution problem in a closed economy		
2.2	Determination of National Income		
2.3	Definition and the component elements	2.3	When the component elements are discussed, the importance of added value should be stressed. The position of added value in relation to production and its link with the National Income should be brought out clearly.
3.	PROBLEMS IN THE DETERMINATION OF THE NATIONAL INCOME		
3.1	Transfer payments		
3.2	Double counting		
3.3	Nominal and real National Income		
3.4	Services not included		
3.5	Accuracy		

4. THE USE OF NATIONAL INCOME FIGURES

- 4.1 The concept and determination of the economic growth rate
- 4.2 Comparison of prosperity levels
- 4.3 Relative importance of various sectors in the National Economy
- 4.4 Limitations of National Income figures

5. ANALYSIS OF THE RSA'S NATIONAL INCOME

5.1 A brief explanation of the following terms used in connection with statistical data in respect of the RSA's National Income:

- 5.1.1 Gross Domestic Product
- 5.1.2 Gross National Product
- 5.1.3 Per capita National Income

5.2 Comparison of various years to illustrate economic structural changes and prosperity

5.2.1 Structural changes identified

5.2.1 Increase and decrease in relative contributions made by sectors

5.2.2 Cyclical tendencies

5.2.2 Also outline the RSA's recent experience.

5.2.3 Causes of economic cycles

- (a) Real causes
- (b) Monetary causes
- (c) Psychological causes

5.3 Comparison with other countries in total and per capita

5.4 Contributions by various population groups

6. **METHODS TO INCREASE
NATIONAL INCOME: ECO-
NOMIC GROWTH**

6. A broad outline only

- 6.1 Significance and impor-
 tance
- 6.2 Methods
 - 6.2.1 Increase in produc-
 tivity
 - 6.2.2 Availability of factors
 of production
 - 6.2.3 Technological develop-
 ment
 - 6.2.4 Effective government
 policy
- 6.3 The RSA's recent growth
 experience

MODULE 2

SUBJECT : PRICE FORMATION (MICRO ECONOMICS)

WEIGHT : 25 UNITS

DETAILS

STUDY GUIDE

GENERAL: Emphasis on consolidation and explanation of concepts which should be dealt with fairly extensively. Refer to relevant developments and tendencies in this connection.

- | | | | |
|-----|---|-----|--|
| 1. | WANTS | 1. | An intensive study is necessary. The teacher should also emphasise judicious satisfaction of wants with available means. |
| 1.1 | Nature | | |
| 1.2 | Scope | | |
| 1.3 | Changes | | |
| 1.4 | Insatiability | | |
| 2. | UTILITY | 2. | The concepts value, marginal utility and the Law of Diminishing Utility must be illustrated by means of selected examples. |
| 2.1 | The relationship between utility and demand | | |
| 2.2 | Free and economic goods | | |
| 2.3 | Marginal utility and the Law of Diminishing Utility | 2.3 | A study of the marginal utility theory is necessary. |
| 3. | VALUE | 3. | Refer briefly to the marginal utility theory of value. |
| 3.1 | The relationship between utility, value and the price of an article | | |
| 3.2 | Factors which determine value | | |
| 3.3 | Value in exchange, price and cost of production | | |

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|--|---|----------------------|--|
| <p>4.</p> <p>4.1</p> <p>4.2</p> <p>4.3</p> | <p>DEMAND</p> <p>Significance</p> <p>Relationship between demand and price</p> <p>The demand table and the demand curve and the Law of Demand and consumer surplus. The problem of determining actual demand schedules, reasons for downward trend of demand curves, exceptional demand curves, elasticity, and the factors influencing it</p> | <p>4.</p> <p>4.3</p> | <p>Deal with this thoroughly and in such a way that it can be developed by means of production curves to price formation on the perfect market. Use examples illustrating why the demand curves normally decline from left to right</p> <p>Only an elementary treatment of consumer surplus is necessary. In respect of elasticity of demand the meaning of the concept elasticity, the factors which influence it and forms of elasticity are expected.</p> |
| <p>5.</p> <p>5.1</p> <p>5.2</p> <p>5.3</p> | <p>SUPPLY</p> <p>Significance</p> <p>Relationship between supply and price</p> <p>Supply table and curve and the Law of Supply</p> | <p>5.3</p> | <p>Deal fully with this aspect in preparation of price formation on the perfect market. Use an example illustrating why the supply curves normally tend to rise from left to right.</p> |
| <p>6.</p> <p>6.1</p> <p>6.2</p> <p>6.3</p> | <p>MARKETS (EXCHANGES) AND PRICE FORMATION</p> <p>Definition</p> <p>Development</p> <p>Economic significance of markets</p> | <p>6.</p> | <p>Only an elementary treatment of the development and economic significance of markets (with particular reference to South Africa) is required.</p> |

7. THE ROLE OF COMPETITION
IN THE MARKET ECONOMY

8. THE SIGNIFICANCE OF AND
CONDITIONS FOR THE
EXISTENCE OF THE FOL-
LOWING TYPES OF
MARKETS:

8.1 Perfect market

8.2

Only discuss the Mono-
poly as an example of
an imperfect market.

8.2 Imperfect market

9. THE REASONS FOR IMPER-
FECT COMPETITION IN
PRACTICE

10. THE MARKET EQUILIBRIUM
PRICE AS DETERMINED BY
DEMAND AND SUPPLY UNDER
CONDITIONS OF PERFECT
COMPETITION

10.

Elaborate on demand and
supply. Price forma-
tion on a perfect
market in the short
term must be dealt with
thoroughly. Mention
that price formation in
the short term differs
from price formation in
the long term.

NB: Price determina-
tion on an im-
perfect market is
not included.

MODULE 3

SUBJECT : ECONOMIC DEVELOPMENT, REGIONAL DEVELOPMENT AND URBANISATION

WEIGHT : 15 UNITS

DETAILS		STUDY GUIDE	
1.	ECONOMIC DEVELOPMENT		
1.1	Development as an economic goal	1.1	International and regional
1.2	Characteristics of underdeveloped economies		
1.3	Development strategies	1.3	Refer to the role of the Industrial Development Corporation and the Small Business Development Corporation.
2.	REGIONAL DEVELOPMENT		
2.1	The aims		
2.2	The principles		
2.3	The RSA's regional development policies		
3.	URBANISATION		
3.1	Reasons for urbanisation	3.1	Also refer to tendencies in other countries.
3.2	Advantages and disadvantages		
3.3	Growth and development potential		
3.4	The RSA's policy with regard to urbanisation		
4.	THE INFORMAL SECTOR IN REGIONAL AND URBAN DEVELOPMENT		
4.1	Description		
4.2	Characteristics		
4.3	Role and potential		
4.4	Policies		

MODULE 4

SUBJECT : INTERNATIONAL ECONOMICS
WEIGHT : 15 UNITS

DETAILS		STUDY GUIDE	
1.	INTRODUCTION Causes of international trade	1.	Outline the need for a study of international trade. A link must be found with the basic problem of Economics, i.e. man and his wants, as well as the fact that all countries are not suited to the production of all goods owing to climatic conditions, the availability of national resources, etc. In particular pupils should be introduced to the most recent developments affecting South Africa.
2.	THE BALANCE OF PAYMENTS ACCOUNT	2.	Description. Outline the main sections. Explain the importance of the main sections and balances.
3.	EXCHANGE RATES	3.	Concept description
3.1	Definition and types	3.1	Outline only. Technical and theoretical analyses are not required.
3.2	The demand for and supply of foreign exchange	3.2	Refer to the commercial and financial Rand in the RSA.
4.	THE SOUTH AFRICAN INTERNATIONAL TRADE	4.	Also refer briefly to disinvestment, sanctions and boycotts.
4.1	Export promotion	4.1	Refer only to the importance of incentives and not the detail. Also discuss the effects on the economy.

4.2	Import substitution	4.2	Refer to the importance of local production.
4.3	Protection		
4.3.1	Arguments in favour of protection and the practical problems in the application of a sound protection policy		
4.3.2	Forms of protection: Customs duties Export subsidies Import quotas Import restrictions Import deposits		
5.	THE ROLE OF THE RSA IN SOUTHERN AFRICA	5.	A brief comparative outline. Regard TBVB countries as part of Southern Africa and not of the RSA.
5.1	Southern Africa defined	5.1	Use the South African Foreign Trade Organisation's definition
5.2	Comparison with regard to resources, population, production, consumption, wealth, poverty, infrastructure, trade and finance		
5.3	Economic integration and cooperation		

MODULE 5

SUBJECT : THE STATE
WEIGHT : 15 UNITS

DETAILS		STUDY GUIDE	
1.	A CONCISE SURVEY OF THE FUNCTIONS OF THE STATE	1.	Constant attention to the role of the State in the RSA's economy, where applicable, is necessary.
2.	THE ROLE OF THE STATE IN PRODUCTION (WITH SPECIAL REFERENCE TO SOUTH AFRICAN CONDITIONS)		
2.1	The State as entrepreneur	2.1 and 2.2	Refer to appropriate legislation, as well as to the degree of state control and state intervention in the economy. Refer to deregulation.
2.2	The State as economic legislative body		
2.3	The State as supplier, organiser and coordinator in the national economy		
2.4	The economic policy of the State	2.4	Introduction to concepts only
2.5	The fiscal policy of the State	2.5	Introduction to concepts only
3.	STATE EXPENDITURE		
3.1	The scope and growth of the public sector	3.1	An elementary treatment of the scope and growth of the public sector and the volume of state expenditure in comparison with the national income of a country; examples of public goods and services and their necessity. Privatisation - reasons and aims
3.2	State expenditure		
3.3	Public goods and services		

- | | | | |
|--|---|---------------------------------|--|
| <p>4.</p> <p>4.1</p> <p>4.2</p> <p>4.2.1</p> <p>4.2.2</p> <p>4.2.3</p> <p>4.3</p> <p>4.4</p> <p>5.</p> <p>5.1</p> <p>5.2</p> <p>5.3</p> <p>5.4</p> <p>5.4.1</p> <p>5.4.2</p> <p>5.4.3</p> <p>5.5</p> | <p>BUDGET</p> <p>Significance</p> <p>Division of the RSA's budget</p> <p>State income and expenditure account</p> <p>Deficit before loans</p> <p>The financing of the deficit before loans: public debt: origin, sources (domestic and abroad) and service of</p> <p>Stages in financial procedure (Planning, authorisation, execution and responsibility)</p> <p>Forms of State Income</p> <p>TAXATION</p> <p>Description</p> <p>Meaning of incidence, shifting and avoidance of taxes, progressive, regressive, proportional taxation</p> <p>Requirements for a good system of taxation. Test the RSA: tax system in terms thereof.</p> <p>Direct and Indirect taxation</p> <p>Description</p> <p>Characteristics</p> <p>Advantages and disadvantages</p> <p>How tax policy influences the economy of a country</p> | <p>4.</p> <p>4.3</p> <p>5.3</p> | <p>A broad outline of the most recent budget of the RSA is required.</p> <p>Theories of taxation are not required.</p> |
|--|---|---------------------------------|--|

CHOICE MODULES

SUBJECT : IMPORTANT SOUTH AFRICAN ECONOMIC SUBJECTS
WEIGHT : 5 UNITS EACH: TWO SUBJECTS MUST BE CHOSEN

DETAILS		STUDY GUIDE	
1.	LABOUR RELATIONS		
1.1	The labour question in South Africa: Demand, supply and wages		
1.2	Trade unions		
1.2.1	Definition		
1.2.2	Membership		
1.2.3	Aims, functions and restrictions		
1.2.4	The collective bargaining process	1.2.4	Discuss access, functions and restrictions briefly.
(a)	Industrial Councils Composition Functions Agreements		
(b)	The Industrial Court		
(c)	The Wage Board		
2.	PRODUCTIVITY AND UNEMPLOYMENT	2.	Discuss in detail.
2.1	Productivity		
2.1.1	Description		
2.1.2	Advantages		
2.1.3	Disadvantages		
2.1.4	Measuring of productivity		
2.1.5	Measures to increase it		
2.2	Unemployment		
2.2.1	Description		
2.2.2	Kinds and characteristics		
2.2.3	Causes		
2.2.4	Consequences		
2.2.5	Measuring unemployment		
2.2.6	Measures to combat unemployment		

- 3. **INFLATION**
 - 3.1 Description
 - 3.2 Kinds and character-
 istics
 - 3.3 Causes
 - 3.4 Consequences
 - 3.5 The inflation problem
 in the RSA
 - 3.6 Measures of control
 - 3.7 Stagflation
 - 3.8 Deflation
 - 3.9 Hyper inflation
-

- 4. **STRATEGIC RESOURCES IN
 THE RSA**

- 4.1 Water supply and
 conservation: The
 general importance of
 water supply and
 conservation
- 4.2 Energy, needs and
 supply
- 4.3 Other strategic
 economic activities

4.3 For example, the ADE
 project and Armscor

CNE Policy: FAK, Instituut vir Christelike-Nasionale Onderwys 1948

Article 1: Basis

We believe that the teaching and education of the children of white parents should occur on the basis of the life and world view of the parents. For Afrikaans-speaking children this means that they must be educated on the basis of the Christian-National life and world view of our nation. In this life and world view, the Christian and National principles are of basic significance and they aim at the propagation, protestation and development of the Christian and National being and nature of our nation. The Christian basis of this life and world view is grounded on the Holy Scriptures and expressed in the Creeds of our three Afrikaans Churches. By the national principle we understand love for everything that is our own, with special mention of our country, our language, our history and our culture. We believe that these principles must both become fully valid in the teaching and education of our children so that these two principles shall be the hallmark of the entire school with regard to its spirit, aim, syllabus, method, discipline, personal organisation and all its activities. Corresponding with the basic structure of our Christian National life and world view, the National principles always must be under guidance of the Christian principle—the National must grow from the Christian root.

Article 2: Christian Teaching and Education

In order to let the light of the revelation of God which is contained in the Scriptures shine in the school, we believe that religious instruction according to the Bible and our Creeds should be the key subject in school. It must determine the spirit and direction of all the other subjects and of the whole school so that all instruction that is given at school shall be founded on the Christian basis of the life- and world-view of our nation. It must not be merely a knowledge-subject.

Article 3: National Teaching and Education

By national education we understand teaching in which the national principle of love for one's own may effectively become valid in the entire content of the teaching and all activities of the school so that the child shall be led properly and with pride in his spiritual-cultural heritage into the spiritual-cultural possession of the nation.

Article 4: The Child and Christian and National Teaching and Education

We believe that through the Fall, sin has penetrated by means of heredity to later generations and that the child as the object of teaching and education is therefore a sinful and not a sinless being.

(c) that God, out of His free grace made a contract with the believing generations, and in the rebirth plants the germ of a new Christian life in the child; that this merciful contract runs through the generations and that therefore the act of teaching must treat a child of believing Christian parents as a believer and not as a heathen child.

(d) that God laid in man a living immortal, active, self-responsible self-conscious, purposeful principle ordinarily called the spirit or soul of man, by which he is distinguished from all other living beings.

(e) that in the child's condition of unripeness, his dependence, his ability to learn by experience, his docility and his imperfection lie the possibility and the necessity of all teaching and education.

(f) that, apart from the common characteristics that one child shares with all children from all nations, there are also the national characteristics that must be known and repeated.

Article 5: Aim of Teaching and Education

The essence (being) of the process of education we see is this: that the younger generation should inherit what is good and beautiful and noble in the cultural possession of the nation, that the younger generation take over that possession according to their own gifts and needs and that they develop it further and expand it according to the life- and world-view of the nation.

Article 6: Content of Teaching and Education

(1) Introduction

We believe that the entire creation of God in the laws of nature and the labour of man is there to be learned about. We believe, however, that the spirit and direction in which all subjects must be taught must coincide with the Christian and National life- and world-view, i.e., that every subject must be taught in the light of the Word of God, in fact, on the basis of the relevant scriptural principles—and that in no subject may an anti-Christian or un-Christian or anti-National or un-National propaganda be made. We believe that religious teaching and subjects like the Mother-tongue as medium and as subject, civics, geography and history are subjects that are of such nature that if rightly taught, they cultivate a Christian and National view of life.

(2) Religious Teaching

By religious teaching we understand instruction chiefly in Bible history and instruction in Christian doctrine (geloofsleer). The instruction in Bible history must not be merely a communication of facts and the instruction in Christian doctrine must not be colourless and hermetically sealed off from the other school activities, but both must form an organic whole with them, and both must be supported by and correspond with the faith and conviction of the parents of schoolgoing children as it is expressed in the Creeds which the parents have adopted. With regard to Afrikaans-speaking children this means that the instruction in Bible history and theology (geloofsleer) must correspond with the Creeds of our three Afrikaner Churches. Not only must the religious instruction itself be of a high standard, but it must take such a central place in teaching that it determines the spirit and direction of all subjects and of the whole school.

(3) Mother-Tongue

We believe that the mother-tongue is the basis of all teaching and education and that the mother-tongue should be the most important secular subject in school. It must also be the only medium in the teaching of all the other subjects, except in the case of other modern languages. Bilingualism cannot be set as the aim of teaching and a beginning can be made with the learning of the second official language only after the child is properly grounded in his mother-tongue and has acquired a sound understanding and knowledge of it.

(4) Civics

We believe that every pupil must be formed into a Christian and national citizen of our country. We believe that every citizen has his rights, responsibilities and duties towards home, church, society and state. We believe that the teaching of the subject CIVICS must be such that it will breed Christian and National citizens.

(5) Geography

We believe that every nation is rooted in its own soil which is allotted to it by the Creator. Every citizen of our country must have a sound knowledge of our land ... and this knowledge must be communicated in such a way that the pupil will love our own soil, also in comparison and contrast with other countries.

(6) History

We believe that history must be taught in the light of the divine revelation and must be seen as the fulfilment of God's decree (raadsplan) for the world and humanity. We believe that the great

facts of the Creation, the Fall and Breaking of Contract (bonds-breuk); the re-creation in Christ Jesus and the End (completion—voleinding) of the world are of world historical importance, and that Christ Jesus is the great turning point in world-history. We believe that God has willed separate nations and peoples, and has given each separate nation and peoples its particular vocation and task and gifts. Youth can faithfully take over the task and vocation of the older generation only when it has acquired through instruction in history a true vision of the origin of the nation, and of the direction in that heritage. We believe that next to the mother-tongue, the patriotic (vaderlandse) history of the nation is the great means of cultivating love of one's own.

Article 7: Method and Discipline

(1) Method

We believe that the idea, "discipline" can be defined as all the inner and outer actions and influences which work together in order to assure that behaviour on the part of everybody in the school which shall make the aim of the teaching and education the most effective. We believe that all authority in school is authority borrowed from God and that it places great responsibilities, duties and rights on both the Christian teacher and the child. We believe that the aim of all discipline should be the Christian and National formation of, preservation of, the child (vormingen benoud), the welfare of the community, and above all, the glory of God.

Article 8: Control of Teaching

(1) No Mixed Schools

We believe that there must be at least two sorts of schools for primary and secondary education: one for children of Afrikaans-speaking parents with their communal creed and language, with only Afrikaans as medium; and the other for the children of English-speaking parents with English as medium. We believe that in both sorts of schools there must be the right relationship between home, school, church and state with regard to the spirit and direction, erection, maintenance, control and care of the schools.

(2) Home, School and Church

We believe that the home, the school and the church are the three places in which our nation is bred, and are therefore a threefold chain in teaching and education, and that they must complement one another so that each one gets his rightful share in the forming of the child.

(3) Home

We believe the teaching and education of the child is the duty and the right of the parents, and they, in collaboration with the church and the state must therefore decide on the spirit and direction of school education, that they must establish schools according to the life and world view, and maintain and control them, that they must appoint the teachers to the schools for their children and keep a watch on their teaching. The parents, in community, not as individuals must determine the spirit and direction; they must establish schools, maintain and control them in collaboration with the church and state.

(4) The Church

We believe that the church must keep a watch over the spirit and direction of education; that it must exercise the necessary vigilance and discipline over the life and doctrine of the teachers as members of the church. We believe also that the church must exercise vigilance by means of the parents.

(5) *The State*

The state must see to it that in school life law is valid and is maintained, but we also believe that the state may not decide about the spirit and direction of the school, so long as, judged by the measure of the law of God, it is not damaging or destructive to the state. We also believe that the state must see to it that the teaching which is given is of a good scientific standard, that the forming of the child which takes place at school shall also be moral forming and that all the necessary virtues shall be cultivated.

(6) *The School*

We believe that the school derives its right and power of teaching and education from the parents that the children must therefore be educated according to the life and world view of the parents-in-community and in their national context. But we believe that the school must be able to exercise its function independently. While home and church decide on the spirit and direction of school education and the state determines the standard and regulates the maintenance of law in the school, the school, again, must be sovereign in its own orbit, namely, with regard to the method of teaching and education, i.e., it must decide independently about instituting the plan of study, the method of teaching, school discipline, etc. We believe in the ideal of a Christian National school.

(7) *The Organisation of the School System*

We repudiate the principle of the predominance of home or church or state over the school, and therefore also a system of parent-schools, or church-schools, or state-schools. The school must be free to work independently and self-determinantly within the limits placed upon it. But this freedom must not be thought to be revolutionary; it must be freedom under authority. The erection of schools must proceed in the first place from the parent-community, in collaboration with church and state. The maintenance of the schools must be a communal undertaking of home, church and state in the following relationship: the parents must contribute towards defraying the schools expenses, the church must financially help needy parents to fulfil their educational task; the state as the authority for legally obtaining financial means, must take upon itself the chief part in defraying the school expenses. The control of the school must in the first place be in the hands of the parents.

Article 9: The Teacher

(1) We believe that the teacher must act as a substitute for the parent, by which we acknowledge the honourable status of the teacher. He must do the work of the parent as the parent would have done it himself had he been able. Our highest demand on the teacher therefore is that he should be a man of Christian life and world view, without which he is nothing less to us than the most deadly danger. Next to this highest claim we demand that the teacher should be a personality who can substitute for us in everything at school and who can be a good example to our children.

(2) We believe that our substitutes must be properly trained for their task. At the institutions for the training of our teachers attention must be given to the following claims: the young men and women must receive a scientifically and systematised Christian life and world view; they must be instructed in all the necessary secular sciences, but most particularly in pedagogic science. We believe that their training can and will succeed only if after proper selection, they are placed under the guidance of men and women who are themselves of a convinced Christian-National life-view and have been brought up as such. We wish therefore to see the institutions for the training of our teachers as Christian and National institutions.

Article 10: Nursery Schools

We believe that the Christian and National world and life view is equally valid for nursery schools as for primary and secondary schools. The medium of instruction in the nursery schools should be exclusively the mother-tongue and that in no circumstances may a foreign language be used. The teaching-forces (teachers-leerkragte) must be formed people with a healthy (sound) Christian and National life and world view.

Article 11: Higher Education

(1) We believe that our higher education should have the same basis and purpose as our primary and secondary education, the Christian-National life and world view to the forming of the man of God completely equipped for every good work.

We desire that our ~~our~~ institutions for higher education, beside the usual secular sciences, Christian theology (geloofsleer) and particularly Christian philosophy should be taught and practised. But we desire still more instruction and practice in the secular sciences must proceed from the Christian life and world view: in no single science may the light of God's truth be lacking. We believe that our University education especially should be thetic rather than antithetic, never merely eclectic and never reconciliatory. Christian University institutions must expound Christian science positively, must place it in opposition to non-Christian sciences, but never give unconnected instruction, merely choosing here and choosing there, and it may never try to reconcile or remove the fundamental oppositions: Creator and creation, men and animal, individual and community, authority and freedom remain in principle insoluble in one another. University Councils have no more serious vocation than to appoint the right men and women for the teaching work; the professors and lecturers must be convinced Christian and National scientists.

Article 12: Technical and other Special Education

We believe that the Christian and National life and world view is also applicable to Technical Colleges, Industrial Schools, Reformatory Schools, Technical High Schools, Domestic Science High Schools and schools for the special teaching of the deaf and the blind and schools for the physically and mentally defective, etc.

We believe that these schools should not only open and/or close with a religious exercise, but that religious teaching should comprise an important part of the activities and that enough time and attention should be given to it to determine the Christian spirit and direction of all the activities.

We believe that owing to the fact that the parents of pupils in Industrial Schools, Reformatory Schools, Technical High Schools and Domestic Science High Schools are, in much the greater number of cases, not in a position to choose the majority of the representatives for the control of the school, a controlling body should be elected by and from the local community.

Article 13: Teaching and Education of Adults

With regard to white adults, we believe that such teaching must be given with due respect for the principle of cultural separation, and that with regard to the Afrikaans-speaking it must be given on the basis of the Christian-National life and world view of the Boer nation. It is certainly the task of the state to stimulate the teaching of adults and largely to make available the financial and other means therefore. We believe that the authority must also see to it that the education which is given to adults is not damaging or dangerous to the state.

Article 14: Coloured Teaching and Education

We believe that Coloured teaching must be seen as a subordinate part of the vocation and task of the Afrikaner, to Christianise the non-white races of our fatherland. We accept the principle of the trusteeship of the white man, that is (en by name) of the Afrikaner

over the non-white. This trusteeship lays upon the Afrikaner the sacred obligation to see to it that the coloured man is educated according to the Christian and National principles. With regard to the Christian principles, the same remarks are applicable, *mutatis mutandis*, which we made earlier. We believe that only when the coloured man has been Christianised can he and will he be truly happy and that he will be secure against his own heathen and all kinds of foreign ideologies which promise him a sham happiness, but in the long run make him unsatisfied and unhappy.

We believe that he can be made race-conscious if the principle of separation (apartheid) is strictly applied in education just as in his church life. Further we believe that it is necessary to emphasise the principle of the mother-tongue as the medium of education in the case of the coloured. We believe that the salvation (welfare) and the happiness of the coloured, lie in his grasping that he is a separate race-group, that he should be proud of it, and that he must correspondingly be educated as a Christian National. The financing of coloured education must be placed on such a basis that it does not occur at the cost of white education.

Article 15: African (Bantu) Teaching and Education

We believe that the calling and task of white S.A. with regard to the native is to Christianise him and help him on culturally, and that this calling and task has already found its nearer focussing in the principles of trusteeship, no equality and segregation. We believe besides that any system of teaching and education of natives must be based on this same principle. In accordance with these principles we believe that the teaching and education of the native must be grounded in the life and world view of the whites, most especially those of the Boer nation as the senior white trustee of the native, and that the native must be led to a *mutatis mutandis* yet independent acceptance of the Christian and National principles in our teaching. We believe that the mother-tongue must be the basis of native education and teaching but that the two official national languages must be taught as subjects because they are official languages, and to the native, the keys to the cultural loans that are necessary to his own cultural progress. On the grounds of the cultural infancy of the native we believe that it is the right and task of the state, in collaboration with the Christian Protestant churches, to give and control native education and the training of native teaching forces must be undertaken as soon as possible by the native himself, but under control and guidance of the state: with this understanding, however, that the financing of native education must be placed on such a basis that it does not occur to the cost of white education. We believe finally, that native education and teaching must lead to the development of an independent self-supporting and self-maintaining native community on a Christian National basis.

Economics for Standard 8

NEW SYLLABUS

D. J. SWANEPOEL

D. F. STASSEN

C. H. B. NAUDÉ

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NEW SYLLABUS 1984

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EKONOMIE SG
ECONOMICS SG

1990

Tyd: Drie uur

Time: Three hours

KAAPLANDSE ONDERWYSDEPARTEMENT
CAPE EDUCATION DEPARTMENT

SENIOR SERTIFIKAAT-EKSAMEN
SENIOR CERTIFICATE EXAMINATION

*Skryf op die buiteblad van jou antwoordboek, teenoor die woord "Vak" -
EKONOMIE STANDAARDGRAAD*

*Write on the cover of your answer book, after the word "Subject" -
ECONOMICS STANDARD GRADE*

Hierdie vraestel bestaan uit 17 bladsye en 'n antwoordblad.
This examination paper consists of 17 pages and an answer sheet.

BLAAI ASSEBLIEF OM/PLEASE TURN OVER

INSTRUCTIONS

1. Answer Question 1 (COMPULSORY) on the enclosed answer sheet.
2. Answer any FIVE of the OTHER QUESTIONS in your answer book.
3. Write the number of the question above each answer.
4. Number the answers in accordance with the system used in this paper.
5. Answer questions POINT BY POINT where possible, but in full sentences.
6. Write NEATLY and LEGIBLY.

----- oOo -----

QUESTION 1 (COMPULSORY)

Use a pencil on the answer sheet.

- 1.1 Choose the concept from column B which matches the statement in column A. Write only the appropriate concept on the answer sheet.

A	B
1.1.1 This factor of production is perfectly immobile.	Deflating
1.1.2 The most serious form of unemployment, e.g. in times of world depression	Commercialisation
1.1.3 The G.D.P. at factor cost plus indirect taxation minus subsidies	Concentration
1.1.4 The elimination of the influence of price changes on the money values of G.D.P.	Appreciation
1.1.5 The trend that manual labour is increasingly being replaced by the machine	Ad-valorem
1.1.6 Industries are scattered over a larger area of the country.	Land
1.1.7 The difference between the visible and invisible imports and exports	Cyclical
1.1.8 An increase in the value of the currency of one country as opposed to other currencies as a result of market forces	Reflation
1.1.9 The type of subsidy used when the authority has to sacrifice state revenue	Entrepreneur
1.1.10 Import duties levied as a percentage of the value of the imported article	G.D.P. at market prices
	Specific
	Mechanisation
	Decentralisation
	G.N.P. at factor cost
	Balance of payment
	Snake floating
	Rates of exchange
	Revaluation
	Balance of trade
	Indirect

(10 x 2) [20]

- 1.2 Indicate by means of a cross (X) on the answer sheet whether the following statements are TRUE or FALSE:
- 1.2.1 If the prices of agricultural products increase, the rent on agricultural land will decrease.
- 1.2.2 Piece-wages are usually paid for repair services.
- 1.2.3 If national income showed, in real terms, a growth rate of 2 %, but the population also had a growth rate of 2 %, the prosperity enjoyed by each person in the nation remains unchanged.
- 1.2.4 Foreign exchange earned from exports is used to pay for imported goods.
- 1.2.5 If a British citizen buys shares on the Johannesburg Stock Exchange, it is shown as a debit entry on the capital account.
- 1.2.6 Money spent by tourists visiting foreign countries leads to a demand for foreign exchange.
- 1.2.7 An increase in the import duties on a product with an elastic demand curve will lead to a decrease in the importation of this product.
- 1.2.8 A reduction in the income tax of the higher income groups will probably stimulate consumer expenditure.
- 1.2.9 Pollution can only have a negative influence on job opportunities.
- 1.2.10 Indirect pollution finds its origin in the technological era in which we live.

(10 x 2) [20]

- 1.3 Indicate the correct answer to each of the following by making a cross (X) under the appropriate letter on the answer sheet:
- 1.3.1 Clothing and crockery are examples of ... goods.
- (a) durable
 - (b) semi-durable
 - (c) non-durable
 - (d) capital
- 1.3.2 An advantage of decentralisation is that it leads to
- (a) the creation of job opportunities in rural areas.
 - (b) savings as a result of specialised services.
 - (c) greater competition between undertakings.
 - (d) the improvement of the labour market.

- 1.3.3 A disadvantage of devaluation is that
- (a) exports increase.
 - (b) imports decrease.
 - (c) imported necessities become more expensive.
 - (d) trade is given a boost.
- 1.3.4 If all incomes are taxed at the same percentage it is known as ... tax.
- (a) proportional
 - (b) constant
 - (c) progressive
 - (d) regressive
- 1.3.5 An example of direct taxation is
- (a) entertainment tax.
 - (b) excise duties.
 - (c) customs duties.
 - (d) estate duties.
- (5 x 2) [10]

/50/

Answer any FIVE of the following questions.

QUESTION 2

THE SUBJECT ECONOMICS AND IMPORTANT SOUTH AFRICAN
ECONOMIC TOPICS

- 2.1 "The field of study of Economics comprises a number of problem areas." Discuss the problem of distribution. [10]
- 2.2 Discuss the close economic connection (circular flow) between the government on the one hand and the business and private sectors on the other hand. [10]
- 2.3 Discuss the following two economic results of pollution:
- 2.3.1 Leads to loss of pleasure resorts
- 2.3.2 Promotes inflation (2 x 10) [20]
- 2.4 In full sentences give FIVE reasons why water supply schemes are important. [10]

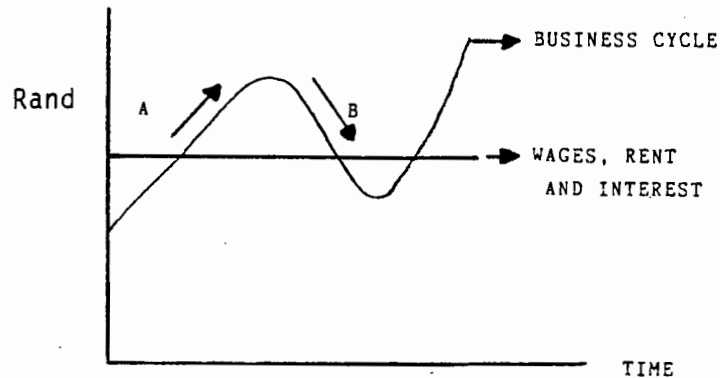
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QUESTION 3

REMUNERATION OF FACTORS OF PRODUCTION

- 3.1 Indicate whether real wages will increase, decrease or remain constant in the following cases:
- 3.1.1 Nominal wages remain the same but prices rise
 - 3.1.2 Nominal wages remain the same but prices decrease
 - 3.1.3 Prices remain the same but nominal wages increase
 - 3.1.4 Prices and nominal wages rise, but prices rise at a rate of 15 % whereas nominal wages rise at a rate of 7 %
 - 3.1.5 Prices and nominal wages rise at the same rate (5 x 2) [10]
- 3.2 Indicate whether the following statements refer to piece-wages or time wages:
- 3.2.1 Quality and quantity of work are not taken into consideration
 - 3.2.2 Factors which cannot be controlled frequently delay production
 - 3.2.3 The employer encourages the employee to work more quickly
 - 3.2.4 Accurate and expensive machinery are used
 - 3.2.5 Articles can be counted (5 x 2) [10]

- 3.3 Study the diagram of the business cycle shown below and answer the questions that follow.



- 3.3.1 What is the rising phase (A) of the business cycle called?
- 3.3.2 What is the downward phase (B) of the business cycle called?
- 3.3.3 Why is the business cycle represented by means of a fluctuating line?
- 3.3.4 Why are wages, rent and interest represented by a straight line?
- 3.3.5 What will happen to profits during the rising phase of the business cycle? (5 x 2) [10]
- 3.4 Discuss the rent for mines and other natural resources. [12]
- 3.5 List FOUR factors which influence wages and their inequality. [8]

/50/

QUESTION 4

REMUNERATION OF FACTORS OF PRODUCTION

- 4.1 Discuss the following factors which affect rates of interest in practice:
- 4.1.1 Risk (8)
- 4.1.2 The demand for and supply of loanable funds (6)
- 4.1.3 Business forecasting (6) [20]
- 4.2 List in tabular form SIX differences between profit and the remuneration of the other three factors of production. [12]
- 4.3 Name FIVE factors which influence profits. [10]
- 4.4 Name FOUR factors which determine the power of a trade union. [8]

/50/

QUESTION 5

NATIONAL INCOME

5.1 Study the table below and answer the questions that follow.

YEAR	POPULATION	G.N.P.	PER CAPITA G.N.P.
	NUMBER ('000)	R MILLION	RAND
1980	30 178	59 272	1 964
1985	33 778	58 914	1 744

SOURCE: Journal of the Economics Teachers' Association

- 5.1.1 How is the per capita G.N.P. calculated? (2)
- 5.1.2 What happened to the per capita G.N.P. between 1980 and 1985? (2)
- 5.1.3 Why did this (see 5.1.2) happen? (4)
- 5.1.4 What is the difference between the concepts national product and domestic product? (4) [12]
- 5.2 Name SEVEN methods of increasing national income. [14]
- 5.3 Explain the concept national production. [10]
- 5.4 Give in full sentences SEVEN shortcomings of national income figures. [14]
- /50/

QUESTION 6

THE PRESENT ECONOMIC STRUCTURE OF SOUTH AFRICA

- 6.1 Give in full sentences SIX reasons why the agricultural industry in South Africa is of economic importance. [12]
- 6.2 Name FOUR reasons for the desirability of industrial development in South Africa. [8]
- 6.3 Discuss the following two factors that an entrepreneur must consider when determining the best site for his undertaking:
- 6.3.1 Transport (8)
- 6.3.2 Labour (12) [20]
- 6.4 Describe the concept centralisation and give FOUR disadvantages. [10]

QUESTION 7

INTERNATIONAL ECONOMICS

- 7.1 Discuss the following causes of international trade:
- 7.1.1 Natural resources
- 7.1.2 Capital
- 7.1.3 The principle of comparative advantage (3 x 4) [12]
- 7.2 What is meant by floating exchange rates and how do they work? [12]
- 7.3 Discuss the following arguments for protection of local industries against foreign competition:
- 7.3.1 Combats unemployment
- 7.3.2 Promotes national independence (2 x 8) [16]
- 7.4 Name FIVE forms of protection. [10]
- /50/

QUESTION 8

THE STATE

- 8.1 Name FIVE characteristics of a perfect socialistic system. [10]
- 8.2 Discuss the approval (authorisation) of the budget by parliament. [14]
- 8.3 Name SIX objectives of economic policy. [12]
- 8.4 Give FOUR functions of the state. [8]
- 8.5 Describe the concept indirect taxation and give ONE example. [6]
- /50/

QUESTION 9

THE STATE

- 9.1 Discuss reasons why the state acts as entrepreneur. [14]
- 9.2 Discuss the following requirements for a good system of taxation:
- 9.2.1 It must be economical.
- 9.2.2 It must be impartial.
- 9.2.3 It must be convenient. (3 x 8) [24]
- 9.3 Name SIX forms of state revenue. [12]

/50/TOTAL /300/

EKONOMIE HG
ECONOMICS HG

1990

Tyd: Drie uur

Time: Three hours

KAAPLANDSE ONDERWYSDEPARTEMENT
CAPE EDUCATION DEPARTMENT

SENIOR SERTIFIKAAT-EKSAMEN
SENIOR CERTIFICATE EXAMINATION

Skryf op die buiteblad van jou antwoordboek, teenoor die woord "Vak" -

EKONOMIE HOËRGRAAD

Write on the cover of your answer book, after the word "Subject" -

ECONOMICS HIGHER GRADE

Hierdie vraestel bestaan uit 21 bladsye en 'n antwoordblad.
This examination paper consists of 21 pages and an answer sheet.

BLAAI ASSEBLIEF OM/PLEASE TURN OVER

INSTRUCTIONS

1. Answer SIX questions, chosen as follows:
From Section A: any TWO questions
From Section B: Question 5 (COMPULSORY) and any THREE other questions
2. Write the number of the question above each answer.
3. Read the questions carefully. Neatness and a systematic presentation of facts are required.
4. Answer in full sentences.

----- o0o -----

SECTION A (Answer any TWO questions.)

Answers should be presented systematically and reflect logical reasoning.

1. NATIONAL INCOME

"It is logical and generally accepted that the national income figures can never be calculated 100 percent accurately. These figures are nevertheless calculated and are very useful

Explain how accuracy of these figures may be ensured. Outline the possible uses for these figures and describe different ways of increasing national income.

/80/2. PRESENT ECONOMIC STRUCTURE OF SOUTH AFRICA

Discuss the factors that should be taken into account by a prospective industrialist when he chooses a site for an industrial undertaking. Use examples from your environment to illustrate your answer.

/80/3. INTERNATIONAL ECONOMICS

The value of one country's monetary unit as compared to that of another may be either "fixed" or "floating". Discuss these two systems and also explain the mechanism(s) that operate under each system to bring any deviation in the "price" back to equilibrium.

/80/

4. THE STATE

"The implementation of a successful budgetary procedure is a complicated task which requires skilful planning, coordination and control."

Discuss the stages in the financial procedure of the RSA's budget.

/80/

SECTION B (Answer Question 5 and any THREE other questions.)

5. (COMPULSORY)

Write your examination number clearly on your answer sheet. Use a lead pencil on your answer sheet. In the case of an error, erase the pencil marks completely.

5.1 Give the economic concept/term for each of the following:

5.1.1 This branch of Economics studies the economics of the individual consumer and the individual business.

5.1.2 The process whereby the productive capacity of the economy increases, resulting in an increase in the level of national income

5.1.3 A decrease in the value of a currency, in terms of foreign currencies, as a result of market forces

5.1.4 The legal method used by the taxpayer to reduce his tax load

5.1.5 The largest water development scheme which has been completed in South Africa

5.1.6 The title of the person who, at the end of the State's financial year, must draw up a report to indicate whether the instructions of parliament with regard to finances have been properly executed.

(6 x 2) [12]

5.2 Choose the correct alternative:

5.2.1 "Economic goods are 'scarce' goods."

The word 'scarce' in this quotation means that

- A there are very few of these goods.
- B there are sufficient goods to meet effective demand.
- C the goods are limited in supply because of a too low price.
- D there are not enough goods to satisfy all needs to saturation point.
- E there are not sufficient goods to meet all our physical needs.

5.2.2 This question is based on the following data:

	Year 1	Year 2
Wage rate (per hour)	300 c	360 c
Price index	120	180

During the given interval of time, real wages have

- A fallen by 10 %.
- B risen by 20 %.
- C fallen by 30 %.
- D remained constant.
- E risen by 10 %.

5.2.3 An increase in liquidity preference will lead to

- A a fall in the supply of money.
- B an increase in the supply of loanable funds.
- C a fall in interest rates.
- D increased investments.
- E None of the above

5.2.4 The total value of all final goods and services produced by South African citizens during a certain year is the gross

- A per capita product.
- B real domestic product.
- C domestic product at factor cost.
- D national product at buyers' prices.
- E national product at factor cost.

5.2.5 If we assume that the demand curves for imported products follow the normal pattern, by which of the following can the difference between the effects of a quota and a tariff be described?

- A A tariff causes an immediate increase in the price of the goods on the home market whereas a quota has no immediate effect.
- B A quota may be used to stop all imports of the goods; a tariff cannot be used for this purpose.
- C A tariff is harmful to the domestic economy because all the revenue from the increased prices falls into the hands of the government.
- D Quotas, but no tariffs, are instituted to increase state revenue.
- E None of the above statements is correct.

5.2.6 This question refers to the following quotation:

"An increase in indirect taxation which leads to an increase in prices can hardly be described as an anti-inflationary measure."

If we assume that there were no cost-push effects, however, the policy will be anti-inflationary if

- A the taxes are imposed on goods with an inelastic demand.
- B the taxes are placed on goods which have no close substitutes.
- C the taxes are placed on goods which have elastic demands.
- D incomes rise faster than prices (including the taxes).
- E the increased taxes are offset by increased government spending.

5.2.7 The concept "fiscal policy" means

- A the use of the central bank's powers to vary the amount of bank lending in order to control the amount of spending.
- B the manipulation of tax structures, amongst others, to stabilise the economic growth rate.
- C influencing interest rate patterns in practice.
- D to redistribute income amongst the population and thereby increase the general standard of living.
- E None of the above statements is correct.

5.2.8 This question relates to the following situation:

A country which plays a significant part in world trade is experiencing rather severe inflation and its domestic price level is rising faster than world prices.

If it is assumed that this country has a fixed exchange rate, which of the following are likely consequences?

- A A fall in the foreign exchange reserves
- B A rise in the foreign exchange reserves
- C The central bank intervenes in the foreign exchange market to buy the home currency.
- D The central bank intervenes in the foreign exchange market to sell the home currency.
- E Not one of the above statements is correct.

- 5.2.9 This question is based on the following news item which appeared on television on 8 August 1989:

The \$ lost nearly 3c against the Rand at R2,68, but gained 2c against the financial rand at R4,50.

The change in rates of exchange could be attributed to

- A recently published USA trade figures which showed a decrease and the fact that the USA government discouraged investments in South Africa.
 - B large purchases of South African chrome by the USA, while the security situation in South Africa was seen as very favourable.
 - C the central bank of the USA that sold large quantities of gold on the world market and the fact that strikes had flared up on South African mines.
 - D ISCOR's redemption of a foreign loan of R30m on this day and South Africa's immigration figures that appeared more positive than ever before.
 - E None of the above
- 5.2.10 The question is based on the following production possibilities:

	Tons of wheat		No of tractors
With 1 unit of resources country A can produce	10	or	6
With 1 unit of resources country B can produce	8	or	4

This situation provides

- A no basis for trade because A is more efficient at production in both commodities.
- B no basis for trade because the situation is one of absolute advantage and not a comparative advantage.
- C a basis for trade on terms which lie between 10 wheat for 4 tractors and 8 wheat for 6 tractors.
- D a basis for trade on terms which lie between 5 wheat for 3 tractors and 2 wheat for 1 tractor.
- E no basis for trade because the domestic opportunity cost ratios differ.

(10 x 2) [20]

5.3

Instruments of economic policy

- A Tighter hire purchase requirements
- B Lower interest rates
- C A call by the Reserve Bank for special deposits from commercial banks
- D Increased government spending
- E Increased taxation on company profits
- F Increased welfare benefits
- G The sale of securities on the open market by the Reserve Bank
- H Reduction in the GST rate

- 5.3.1 Which TWO of these measures may be classified as MONETARY policy: (4)
- 5.3.2 Which TWO of these measures may be classified as FISCAL policy? (4)
- 5.3.3 Which ONE of the measures would probably form part of a DEFLATIONARY PACKAGE? (2) [10]

5.4

Items which play a role in the South African balance of payments

- A The sale of South African motor-cars to foreign buyers
- B The money American tourists spend in South Africa
- C Immigrants who send monetary gifts to relatives in overseas countries
- D The payment of royalties by foreigners for the use of South African patents
- E A twenty-year loan to a TBVC country
- F The sale of a South African company's shares to a foreign purchaser
- G A loan from the IMF
- H The purchase of foreign computer equipment
- I An increase in the foreign currency reserves
- J Buying local services to support South African troops stationed in TBVC countries

- 5.4.1 Which items will appear in the "CAPITAL ACCOUNT"?
- 5.4.2 Which items will appear in the "GENERAL RESERVE ACCOUNT"?
- 5.4.3 Which items will appear in the BALANCE OF TRADE?
- 5.4.4 Which items will appear in the CURRENT ACCOUNT, but not in the balance of trade? [10]

5.5

Hypothetical circumstances

- A A large localised industry loses some of its major export markets
- B Aggregate demand for consumer goods is maintained at a relatively high level but changes in income and taste cause drastic changes in the composition of the total demand
- C A nation which has a large export business begins to feel the effects of a major depression in world trade
- D Extremely severe winter conditions have greatly reduced activities in the building industry
- E A motor-car manufacturer switches a large part of its production from the home market to the export market

Which of these circumstance may serve as an example of

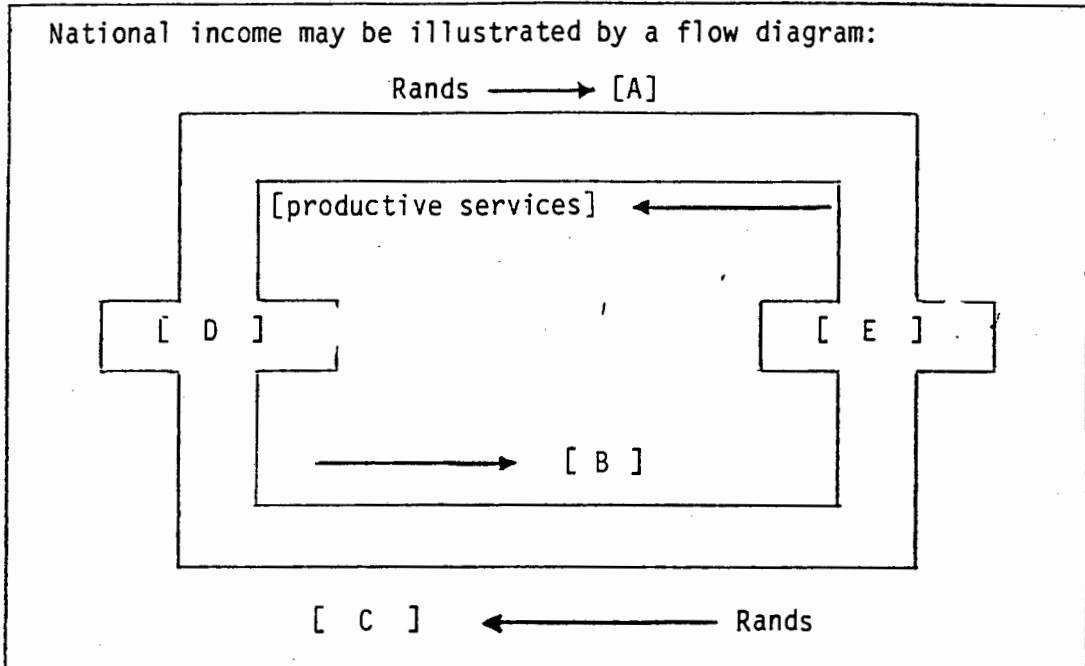
- 5.5.1 cyclical unemployment
- 5.5.2 seasonal unemployment
- 5.5.3 structural unemployment
- 5.5.4 frictional unemployment?

[8]

/60/

6. THE SUBJECT ECONOMICS and THE REMUNERATION OF THE FACTORS OF PRODUCTION

6.1



Which letter on the diagram indicates the correct location of the following terms? (Write only the letter opposite the question number.)

- 6.1.1 Firms
- 6.1.2 Wages, interest, rent and profit
- 6.1.3 Consumption spending
- 6.1.4 Households
- 6.1.5 Goods and services [10]
- 6.2 Write explanatory notes on South Africa's labour problem. [10]
- 6.3 Define UNEMPLOYMENT in economic terms. [4]
- 6.4 Jevons and Clark reformulated the well-known marginal productivity theory of wages. Describe their theory briefly and discuss the FIVE assumptions on which this theory was based. [20]
- 6.5 Explain why Ricardo did not include rent as part of the cost of production. [6]
- 6.6 The Industrial Court has certain functions which no other court has. Name FIVE of these special functions. [10]

/60/

7. THE PRESENT ECONOMIC STRUCTURE IN SOUTH AFRICA

- 7.1 Give FOUR reasons for the economic importance of agriculture in South Africa. [8]
- 7.2 Briefly explain why industrial development in the RSA is generally considered to be more desirable than the development of mining or agriculture. [14]
- 7.3 Evaluate the advantages of centralisation of industries as opposed to the advantages of decentralisation. [18]
- 7.4 Discuss the role of ISCOR in the economic development of the RSA. [20]
- /60/

8. INTERNATIONAL ECONOMICS

- 8.1 Briefly describe the following concepts:
- 8.1.1 Balance of trade (6)
- 8.1.2 The current account (8)
- 8.1.3 The basic balance (8)
- 8.1.4 Balance of payments (6) [28]
- 8.2 Discuss the following arguments in favour of protection:
- 8.2.1 It promotes industrial development. (12)
- 8.2.2 It promotes national independence. (8) [20]
- 8.3 Describe import duties as a method of protection and name FOUR kinds of import duties. [12]
- /60/

9. THE STATE

- 9.1 Briefly discuss the characteristics of a socialist economic system. [16]
- 9.2 Discuss the following functions of the state as applicable to our present situation in the RSA:
- 9.2.1 To ensure internal and external security for the state (10)
- 9.2.2 Control over money and banking in the country (10) [20]
- 9.3 Define the pay-as-you-earn system of taxation (PAYE) and mention FIVE advantages and THREE disadvantages of such a system. [20]

9.4	List FOUR forms of <u>taxation</u> which serve as a source of REVENUE for the state.		[4]
			<u>/60/</u>
10.	IMPORTANT SOUTH AFRICAN ECONOMIC TOPICS		
10.1	Discuss the economic aspects of pollution under the following headings:		
10.1.1	The marginal concept	(6)	
10.1.2	Measures to combat pollution	(6)	[12]
10.2	Write short notes on trade unions under the following headings:		
10.2.1	Definition	(4)	
10.2.2	Membership	(10)	
10.2.3	Aims and functions	(12)	[26]
10.3	Name FOUR economic results of water irrigation schemes.		[8]
10.4	"The availability of adequate water supplies is probably a factor which limits South Africa's progress." Discuss the implications of this statement.		[14]
			<u>/60/</u>
		TOTAL	<u>/400/</u>

205
3 hours

SENIOR CERTIFICATE
ECONOMICS STANDARD GRADE
1990

DEPARTMENT OF EDUCATION AND CULTURE

SENIOR CERTIFICATE EXAMINATION

ECONOMICS STANDARD GRADE

INSTRUCTIONS TO CANDIDATES:

1. Answer any SIX questions.
2. Write the number of the question above the answer.
3. Answers must be numbered properly and in accordance with the numbering system used in this paper.
4. Neatness and systematic presentation of facts are required.
5. Read the questions carefully.

1. THE SUBJECT ECONOMICS

1.1 State whether the following statements are true or false.

1.1.1 The scarcity problem in economics is concerned with scarce means and unlimited wants.

1.1.2 The inductive method of research means that certain deductions are made and conclusions are drawn from certain assumptions.

1.1.3 Saving is that portion of income that is not utilised for consumption.

1.1.4 Economic goods are found in unlimited quantities.

1.1.5 Opportunity cost is the price of the item which is sacrificed for the sake of the one that is consumed.

(5x2)=(10)

1.2 Choose the correct alternative from each of the following. Write down only the correct letter next to the appropriate number e.g. 1.2.1 - C in your answer book.

1.2.1 The aim of all economic activities should be to ...

- A. combat unemployment
- B. to satisfy man's wants
- C. produce more goods and services.

1.2.2 The problem of choice arises because of the fact that ...

- A. the incomes of all people are different
- B. persons are not always aware of the consequences of their choices
- C. people's incomes are too small to buy everything they desire.

- 1.2.3 Which of the following best describes the term "economic sources"?
- A. The entire world's natural resources
 - B. All the factors of production e.g. land, capital, labour and entrepreneurship
 - C. All the wealth created by man.
- 1.2.4 In a closed economy the does not form part of the circular flow.
- A. Authorities
 - B. Business Enterprises
 - C. Foreign sector
- 1.2.5 Capital formation takes place in a country when ...
- A. new stock is added to existing stock of capital
 - B. consumption is equal to production
 - C. consumption exceeds production. (5x2)=(10)
- 1.3 Write explanatory notes on the value of a study of economics for ...
- 1.3.1 the individual (10)
 - 1.3.2 the businessman (10)
 - 1.3.3 the government/state (10) (30)

/50/

2. REMUNERATION OF THE FACTORS OF PRODUCTION

2.1 Choose the most correct word from those within brackets.

2.1.1 The R.S.A. labour market is characterised by an oversupply of (unskilled/skilled) labour.

2.1.2 Payments in kind must be taken into consideration when determining (real/nominal) wages.

2.1.3 A system of (piece/time) wages is used where articles produced can be counted.

2.1.4 (Structural/seasonal) unemployment is the most serious form of unemployment.

2.1.5 For the business (income/profit) is the end result of a year's activities and cannot be predetermined.

(5x2)=(10)

2.2 List any FIVE factors which influence wages and their inequality in practice.

(5x2)=(10)

2.3 Explain how any FOUR of the following factors influence rates of interest in practice.

2.3.1 Risks

2.3.2 Term

2.3.3 Demand and supply of loanable funds

2.3.4 The role of banks

2.3.5 Business forecasting

(4x4)=(16)

2.4 Write explanatory notes on Trade Unions under the following headings:

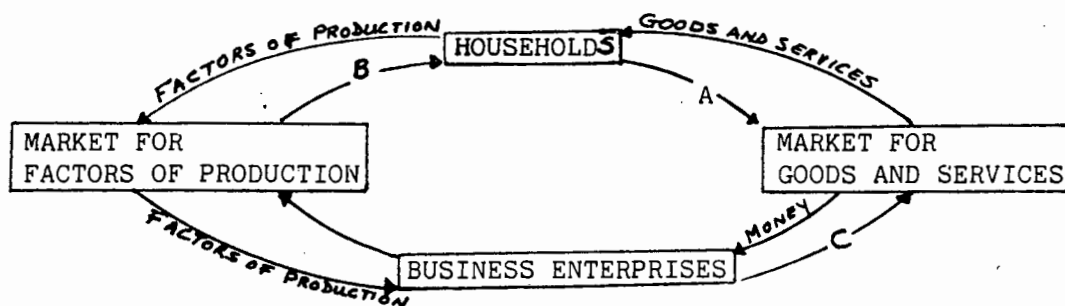
- 2.4.1 The most important reason for their growth. (2)
 2.4.2 FOUR issues over which they keep a watchfull eye. (8)
 2.4.3 TWO factors determining their power. (4)(14)
/50/

3. NATIONAL INCOME

3.1 State whether the following statements are true or false.

- 3.1.1 The Gross Domestic Product (GDP) is the market value of all final goods and services produced during a certain period within the boundaries of a country.
 3.1.2 A transfer payment can be defined as the payment which one person (or group) receives and then pays over to another person without a compensatory productive service being rendered.
 3.1.3 Intermediate goods are goods that are ready for the market.
 3.1.4 Real national income is the money value of the national income.
 3.1.5 The economic growth of the RSA can be compared with that of Argentine by making a study of both countries' real per capita income. (5x2)=(10)

- 3.2 Study the following simplified circular flow diagram and then answer the questions that follows.



- 3.2.1 Which letter indicates the flow of the remuneration households receive for the contribution of their factors of production. (2)
- 3.3.2 Which economic term is used when reference is made to the total of this remuneration and how is it composed? (6)
- 3.2.3 Which letter indicates expenditure by households? (2)
- 3.2.4 List two other sectors which are jointly responsible for national expenditure with households. (4)
- 3.2.5 Explain the difference between national expenditure and domestic expenditure. (4) (18)
- 3.3 List any FIVE shortcomings (limitations) of national income figures. (5x2)=(10)
- 3.4 List in full sentences, any SIX methods to increase the national income of a country. (6x2)=(12)

/50/

4. PRESENT ECONOMIC STRUCTURE OF SOUTH AFRICA

4.1 The following table shows the percentage contributions of different economic sectors to gross domestic product (GDP) in the RSA.

<u>YEAR</u>	<u>PRIMARY</u>	<u>SECONDARY</u>	<u>TERTIARY</u>
1980	28,4	28,2	43,4
1981	22,2	31,3	46,3
1982	20,0	31,6	48,4
1983	19,0	31,5	49,5
1984	18,4	30,9	50,7
1985	20,6	29,7	49,7
1986	21,1	29,8	49,1
1987	19,1	30,3	50,6
1988	18,0	31,3	50,7

- 4.1.1 Which sector made the largest contribution to GDP in 1988 and what was this percentage? (2)
- 4.1.2 Which sector has maintained its position as a stable and important contributor to GDP in the Republic of South Africa over the past 10 years? (2)
- 4.1.3 Which sector still remains the most important for economic growth? (2)
- 4.1.4 Choose from the following list of activities:
- (a) Two from the Primary section
 - (b) Two from the Secondary sector
 - (c) Two from the Tertiary sector
- ACTIVITIES: Construction, Agriculture, Insurance, Manufacturing, Wholesale and Retail trade, Mining. (6)(12)

- 4.2 List in full sentences SEVEN reasons for the importance of agriculture in South Africa. (7x2)=(14)
- 4.3 List SIX reasons for the economic importance of ISCOR to the RSA. (6x2)=(12)
- 4.4 Choose from column B the mineral that match the description in Column A and write it opposite the appropriate number on your answer sheet.

<u>COLUMN A</u>	<u>COLUMN B</u>	
4.4.1 A by-product of gold mines	chromium	
4.4.2 Largest single earner of foreign exchange for the RSA	coal	
4.4.3 An anti-pollution agent against exhaust fumes of motor cars	uranium	
4.4.4 Supplies 80% of the RSA energy needs	gold	
4.4.5 Used in the production of stainless steel	platinum	
4.4.6 Discovered near Hopetown in 1867	diamonds	
	manganese	(6x2)=(12)

/50/

5. PRESENT ECONOMIC STRUCTURE OF SOUTH AFRICA

5.1 Choose from Column B the place that matches the description in Column A and write your answer next to the appropriate number in your answer book.

<u>COLUMN A</u>	<u>COLUMN B</u>	
5.1.1 The largest concentration of industries in the RSA is found here	Richards Bay	
5.1.2 Exclusively used for the export of iron-ore	Port Elizabeth	
5.1.3 Large quantities of coal are mined here	Mossel Bay	
5.1.4 A harbour for the mass handling of coal exports	PWV Area	
5.1.5 A plant for the manufacturing of oil from natural gas is being constructed here	Saldanha Bay Newcastle Durban	(5x2)=(10)
5.2 Explain the role of the following factors in determining the best site (locality) for a business undertaking.		
5.2.1 Raw materials		(20)
5.2.2 Labour		(10)
		(30)
5.3 List FIVE reasons why transport is of economic importance to any country.		(5x2)=(10)

/50/

6. INTERNATIONAL ECONOMICS

6.1 Study the table below and then answer the questions that follow.

South Africa's foreign trade account (R'm)			
1989	Exports	Imports	Trade gap
May	4359	3903	456
June	5726	4440	1286
July	5160	4069	1091
August	5278	4179	1099
September	4843	3527	1316
October	5474	4092	1382

Source: Commissioner of Customs and Excise

- 6.1.1 During which month did the trade account show the largest surplus and what was the amount? (4)
- 6.1.2 During which month did the trade account show the smallest surplus and what was the amount? (4)
- 6.1.3 What was the total surplus for the period May to October 1989? (2)
- 6.1.4 What effect would each of the following have on the trade balance?
- (a) increase in the gold price (2)
 - (b) increase in goods imports (2)
 - (c) an appreciation of the Rand (2) (16)

- 6.2 Choose the correct alternative from each of the following statements and write down only the correct letter next to the appropriate number e.g. 6.2.1 - B.
- 6.2.1 The measure taken to reduce the value of a country's monetary unit in terms of gold or other currencies is known as ...
- A. devaluation
 - B. revaluation
 - C. appreciation.
- 6.2.2 The present South African exchange rate policy may best be described as a policy of ...
- A. fixed exchange rate
 - B. controlled floating
 - C. group floating.
- 6.2.3 The demand for foreign exchange is inter alia determined by ...
- A. the export of goods
 - B. services rendered to countries
 - C. the import of goods.
- 6.2.4 The control exercised by the authorities over the quantity of money which leaves the country is known as ...
- A. trade limitations
 - B. exchange control
 - C. import control.

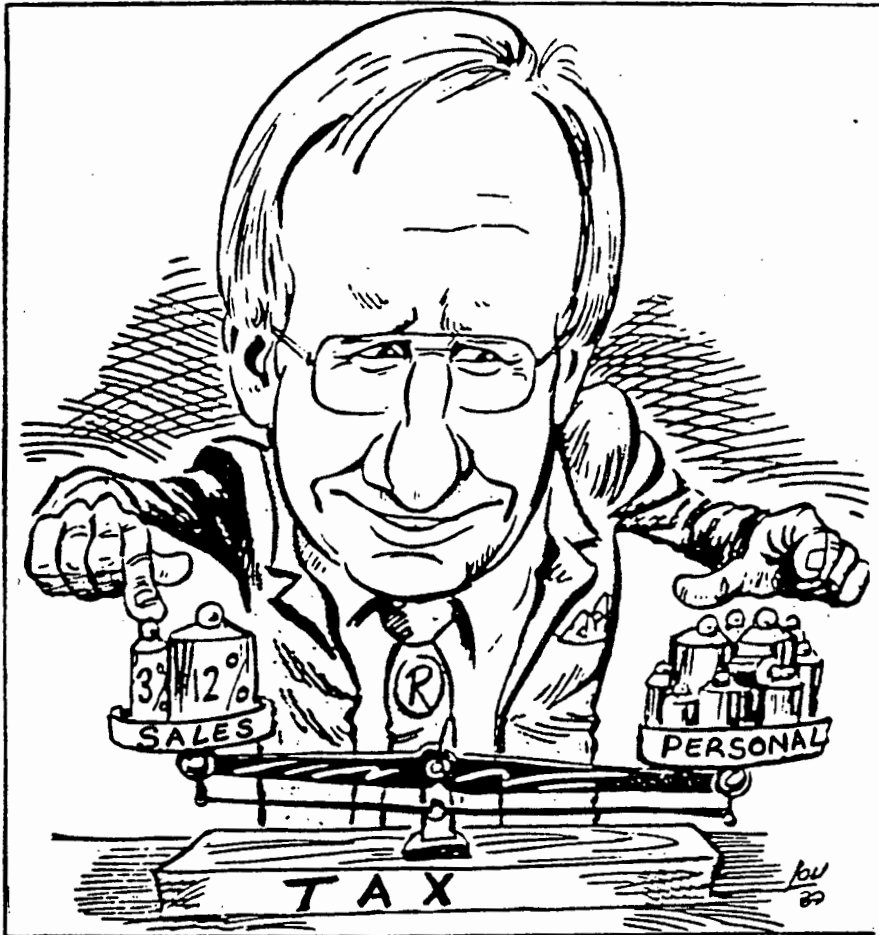
- 6.2.5 Money spent by foreign tourists in the RSA is known as ...
- A. invisible exports
 - B. invisible imports
 - C. visible imports (5x2)=(10)
- 6.3 List any FOUR arguments in favour of a policy of protection of South African industries against competition from overseas industries. (4x2)=(8)
- 6.4 Write explanatory notes on the following form of protection:
- 6.4.1 Export subsidies (8)
 - 6.4.2 Import quotas (8) (16)
- /50/

7. THE STATE

- 7.1 Discuss FOUR characteristics of a Capitalist system (Free Market system) (4x4)=(16)
- 7.2 List in full sentences any FIVE functions of the state. (5x2)=(10)
- 7.3 List FIVE objectives of the economic policy of the government. (5x2)=(10)
- 7.4 Mention TWO reasons why the state often has to act as entrepreneur. (2x2)=(4)
- 7.5 List (excluding taxes) any FIVE sources of state revenue. (5x2)=(10)
- /50/

8. TAXATION

8.1 Study the cartoon below and then answer the questions that follow:



- 8.1.1 Complete: The person in the cartoon is the Minister of and his surname is (2)
- 8.1.2 From the cartoon it is clear that he wishes to obtain a balance between sales tax and personal tax. At what percentage is sales tax (GST) levied in the RSA? (2)
- 8.1.3 Is personal tax a form of direct or indirect taxation? (2)
- 8.1.4 Choose the correct word: Personal tax is a (regressive/progressive/proportional) form of taxation. (2)
- 8.1.5 Complete: An increase in personal tax will most probably result in
 - (a) (a decrease/an increase) in expenditure and savings would
 - (b) (decrease/increase). (4) (12)

8.2 Requirements of a good system of taxation.

From column B choose the word matching the description in column A and write the word next to the number of the question in the answer book.

<u>COLUMN A</u>	<u>COLUMN B</u>	
8.2.1 It must be collected with the least expenditure and trouble	elastic	
8.2.2 It must not be possible to evade it	productive	
8.2.3 It must produce sufficient revenue to cover the expenses of the state	impartial	
8.2.4 It must be spread proportionally among the different income groups	certain	
8.2.5 It should be easily increased or decreased	economical simple	(5x2)=(10)
8.3 Explain in detail the concept "Tax avoidance".		(10)
8.4 Explain:		
8.4.1 FIVE advantages and		(5x2)=(10)
8.4.2 FOUR disadvantages of indirect taxation.		(4x2)=(8) (18)

/50/

9. ECONOMIC TOPICS

- 9.1 List SIX factors which illustrate the importance of water supply schemes. (6x2)=(12)
- 9.2 List FOUR state water schemes provided at growth points in South Africa. (4x2)=(8)
- 9.3 Discuss economic consequences of pollution under the following headings:
- 9.3.1 It promotes inflation (10)
- 9.3.2 Leads to loss of pleasure resorts (10) (20)
- 9.4 List FIVE forms of pollution in South Africa. (5x2)=(10)

/50/

203

3 hours

SENIOR CERTIFICATE

ECONOMICS HIGHER GRADE

1990

DEPARTMENT OF EDUCATION AND CULTURE

SENIOR CERTIFICATE EXAMINATION

ECONOMICS HIGHER GRADE

INSTRUCTIONS TO CANDIDATES:

1. Answer SIX questions: TWO from Section A and FOUR from Section B.
2. Above each answer write the number of the question.
Answers must be numbered properly and in accordance with the numbering system used in this paper.
3. Neatness and a systematic presentation of facts are required.
4. Questions must be read carefully.

SECTION A

Answer TWO questions from this section. Statements made in answers must be properly motivated and explained.

1. Discuss the remuneration received by the entrepreneur for his contribution towards the production process and indicate how this remuneration differs from that of the other factors of production. /80/

2. Explain the requirements of a good system of taxation and indicate clearly to what extent the South African pay-as-you-earn (PAYE) system complies with each requirement. /80/

3. "Trade Unions are not created by legislation but by the need and desire of employees to organise themselves as a group." With reference to this statement, discuss Trade Unions with specific reference to membership, objectives, functions and limitations. /80/

4. Discuss the economic importance of transport in South Africa. /80/

SECTION B

Answer any FOUR questions from this section.

5. THE SUBJECT ECONOMICS

5.1 Study the statements below and indicate whether they are TRUE or FALSE.

5.1.1 According to the definition of Economics, unemployment is a key problem.

5.1.2 The inductive method of research means that certain conclusions are drawn from certain assumptions.

5.1.3 Macro-economics studies the economic activities of a country as a whole.

5.1.4 Saving is that portion of income which is not spent on consumption.

5.1.5 Opportunity cost is always lower than the price of the article purchased.

(5x2) = (10)

5.2 Choose the correct alternative from the following and merely write the letter of the correct answer opposite the number of the question, (e.g. 5.2.2 B) in your answer book.

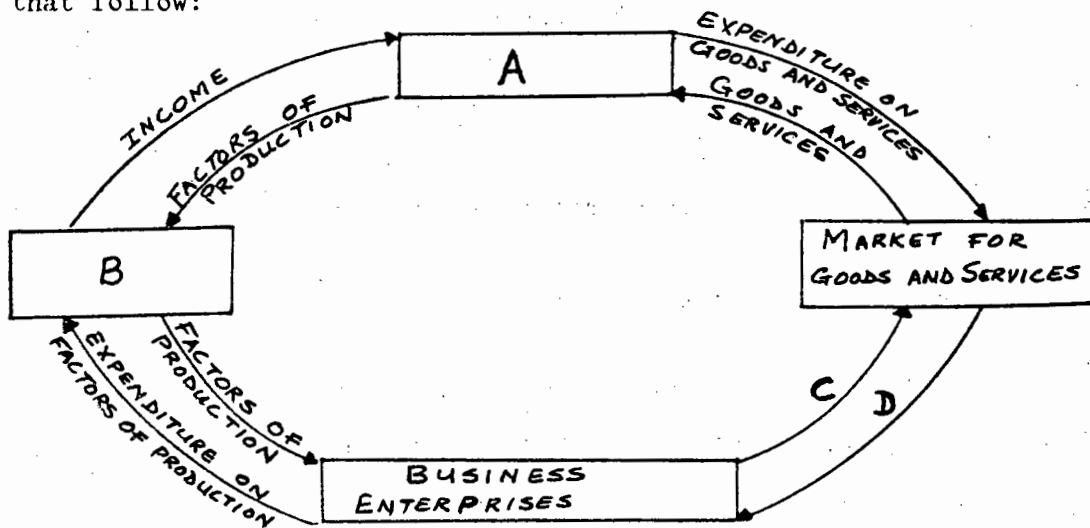
5.2.1 The aim of all economic activities should be to ...

- A. accomplish full employment
- B. increase the production of goods and services
- C. satisfy human wants
- D. develop new and more effective methods.

5.2.2 The problem of "choice" arises from the fact that ...

- A. there is insufficient information known about available goods
- B. all persons do not have the same income
- C. goods, which do not satisfy wants directly, are produced
- D. income of individuals are too small to purchase everything they desire.

- 5.2.3 Which of the following best describes the term economic resources?
- A. The entire world's raw materials.
 - B. All the factors of production, e.g. land, capital, labour and entrepreneurship.
 - C. All the gifts of nature that yield an income.
 - D. The stock of all man-made wealth.
- 5.2.4 Exchange of goods for goods or goods for money is an important economic activity because it ...
- A. ensures a better distribution of economic goods
 - B. leads to better utilisation of scarce natural resources
 - C. increases the total utility of both parties
 - D. All the above are correct.
- 5.2.5 Capital formation takes place in a country when ...
- A. savings are channelled to productive industries
 - B. consumption exceeds production
 - C. consumption equals production
 - D. there is an increase of bank credit to the private sector. (5x2) = (10)
- 5.3 Study the circular flow diagram below and answer the questions that follow:



5.3.1 Explain A, B, C and D.

(8)

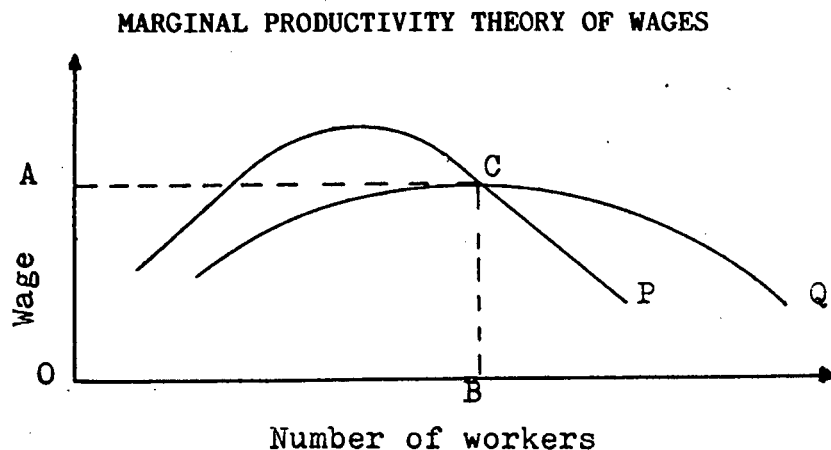
- 5.3.2 The above diagram is a presentation of a two-sector "circular flow model". What does it involve? (2)
- 5.3.3 List two other sectors that could also be included in the diagram. (4)
- 5.3.4 Explain the flow of activities outlined in the diagram. (10)
- 5.3.5 Explain the concept "open economy" and indicate whether South Africa has an "open economy". (4) (28)
- 5.4 Of what value is a study of Economics for the businessman? (12)

/60/

6. REMUNERATION OF THE FACTORS OF PRODUCTION

- 6.1 Supply the missing words.
- 6.1.1 The labour market of the Republic of South Africa is characterised by an over-supply of labour.
- 6.1.2 Payments in kind must also be taken into consideration when calculating wages.
- 6.1.3 A wage system is used where the goods produced can be counted.
- 6.1.4 The system whereby a fixed or standard wage is paid, with the agreement that if the worker does more than a certain quantity of work within a definite period, he will receive a bonus, is known as wage system.
- 6.1.5 unemployment is the most serious form of unemployment because it affects all industries. (5x2) = (10)

- 6.2 Study the diagram below and answer the questions that follow.



- 6.2.1 List FOUR assumptions on which this theory is based. (8)
- 6.2.2 The theory maintains that the demand for labour is a "deduced demand". Explain what is meant by this. (2)
- 6.2.3 Identify the curves P and Q. (4)
- 6.2.4 Which letter indicates the equilibrium point? (2)
- 6.2.5 What is the equilibrium wage? (2)
- 6.2.6 What is the optimal number of workers that ought to be employed? (2) = (20)
- 6.3 Explain any FIVE factors which influences wages and their inequality in practice. (5x4) = (20)
- 6.4 According to Keynes, one of the reasons why people hold liquid assets (money), is the Income Motive (Transactions Motive). Explain what is meant by this. (10)

/60/

7. NATIONAL INCOME

7.1 Supply the correct concept (term) for each of the following descriptions.

7.1.1 The process whereby the productive capacity of the economy increases and which causes an increase in the level of national income.

7.1.2 The term used to describe semi-processed goods in the production process at a given stage.

7.1.3 The money value of National Income adjusted for price increases.

7.1.4 The payment which one person (or group) receives and then pays over to another person (or group) without a productive service being rendered.

7.1.5 The market value of all the final goods and services which are produced by the permanent residents of country within a given period.

(5x2) = (10)

7.2 Study the table below and answer the questions that follow.

POPULATION, G.D.P. AND G.D.P. PER CAPITA AT CONSTANT 1980 PRICES			
YEAR	POPULATION OF RSA (000)	GDP AT CONSTANT 1980 PRICES (R'M)	GDP PER CAPITA AT CONSTANT 1980 PRICES (R)
1970	20 145	44 557	1827
1975	22 450	54 446	1975
1980	25 033	62 007	1986
1985	27 807	65 511	1857
1986	28 400	65 953	1824

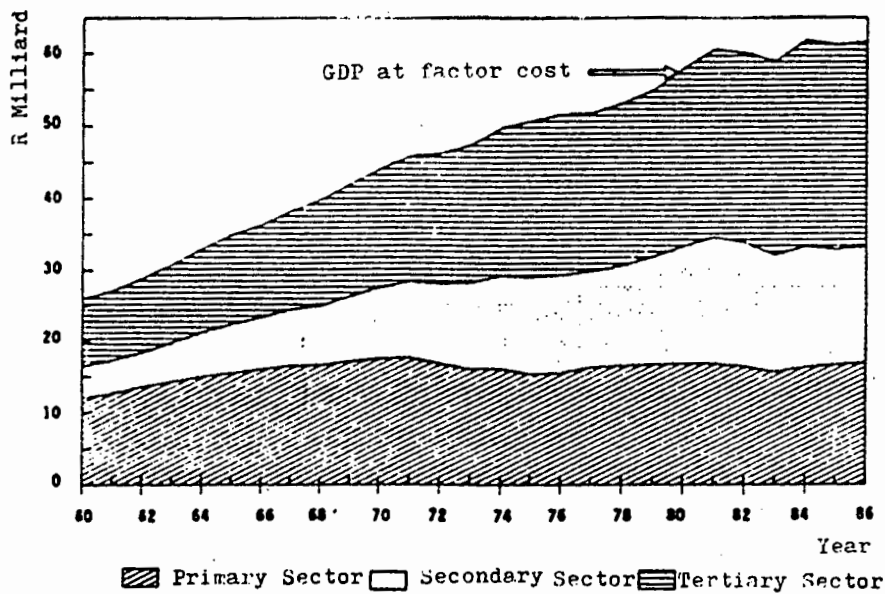
- 7.2.1 Explain the concept "GDP at constant 1980 prices" as used in one of the columns above. (4)
- 7.2.2 Explain the concept "GDP per capita at constant 1980 prices" as used in the last column above. Explain briefly how this is calculated. (4)
- 7.2.3 During which year was the welfare per "head" of the population the highest and what was the amount? (4)
- 7.2.4 List TWO possible reasons why the GDP per capita at constant 1980 prices decreased to R1 824 in 1986. (4) (16)
- 7.3 Discuss the spending of national income by the three main domestic sectors. (18)
- 7.4 Discuss any FOUR shortcomings (limitations) of national income figures. (4x4) = (16)

/60/

8. PRESENT ECONOMIC STRUCTURE OF SOUTH AFRICA

8.1 The graphic representations below illustrates the progress of GDP at factor cost and its three main components during the period 1960 to 1986. Study the graph carefully and then answer the questions that follow.

GDP according to Sector, 1960 - 1986
(AT FACTOR COST, CONSTANT 1980-PRICES)



- 8.1.1 Name TWO industries which fall under each of the three sectors. Answer as follows:
- Primary Sector : (a) (b)
- Secondary Sector: (c) (d)
- Tertiary Sector : (e) (f) (6)
- 8.1.2 Which sector shows the greatest increase in its contribution towards GDP for the period 1960 to 1986 and what was this contribution in 1986? (4)
- 8.1.3 Comment on the contributions of the other two sectors for the same period. (4)

- 8.1.4 Name TWO possible reasons for the structural change that can be observed from the figure. (4)
- 8.1.5 Name any negative effect this structural change can have for the Republic of South Africa and give a possible solution for this problem. (4) (22)
- 8.2 The privatisation of ISCOR offered the public great investment opportunities because they could invest their surplus funds in shares. List and explain SIX more reasons why ISCOR is of economic importance to the RSA. (6x4) = (24)
- 8.3 Write in full sentences, SEVEN aspects that emphasise the economic importance of agriculture for the RSA. (7x2) = (14)

/60/

9. INTERNATIONAL ECONOMICS

- 9.1 Read carefully through the following passage and answer the questions that follow.

The Balance of Payments

The surplus on the current account (the country's only source for repayment of foreign debt) has drastically weakened during the past quarter. Considering the target surplus of approximately R4 000 million for 1989 to accommodate foreign debt commitment, it is essential that the adjustment in the economy (the curbing of domestic expenditure to restrain the import bill) should take place at a faster rate in the near future.

The weakening of the exchange rate of the rand is a source of great concern since it holds serious inflationary implications. Our own projection on the course of the inflation rate puts the figure at 17 to 18% by December this year, after which it will hopefully bottom out before gradually falling back to slightly lower levels.

(Source: Economic Spotlight June 1989)

- 9.1.1 Define the concepts
- (a) Balance of payments (3)
- (b) Exchange rate (3)

9.1.2 Complete: The Balance of Payments consists of two main accounts, namely, the current account and the ... (2)

9.1.3 Use the following information to calculate the balance on the current account:

Goods exports = R24 807 million

Nett gold exports = R16 719 million

Receipts for services = R6 099 million

Goods-imports = R25 647 million

Payments for services = R15 102 million

Transfers (nett receipts) = R365 million (8)

9.1.4 What influence would curbs/restraints of domestic expenditure have on the

(a) balance on current account;

(b) rate of exchange; and

(c) rate of inflation?

(3x2) = (6)

(22)

9.2 Choose the correct alternative from the following statements and merely write the letter of the correct answer opposite the number of the question; e.g. 9.2.1 A in your answer book.

9.2.1 The measure applied to reduce the value of a country's monetary unit in terms of gold or other currencies is known as

A. appreciation

B. revaluation

C. devaluation

D. deflation.

9.2.2 The present South African exchange rate policy can best be described as a policy of ...

A. fixed exchange rates

B. group floating

C. clean floating

D. controlled floating.

- 9.2.3 A direct and powerful form of import control which mainly influences the quantity of goods imported directly, is known as ...
- A. import deposits
 - B. import quotas
 - C. import duties
 - D. import restrictions.
- 9.2.4 Money earned by South African rugby players in Italy is known as ...
- A. invisible exports
 - B. visible exports
 - C. invisible imports
 - D. visible imports.
- 9.2.5 The demand for foreign exchange is inter alia determined by ...
- A. services rendered to foreign countries
 - B. the importation of goods
 - C. interest on capital invested in foreign countries
 - D. the exportation of goods. (5x2) = (10)
- 9.3 Answer the following questions on PROTECTION:
- 9.3.1 Discuss the "promotion of industrial development" as an argument in favour of the protection of S.A. industries against competition from foreign industries. (10)
- 9.3.2 List in full sentences any other FIVE arguments in favour of a policy of protection. (5x2) = (10)
- 9.3.3 Write short explanatory notes on EXPORT SUBSIDIES as a form of protection. (8)

/60/

10. THE STATE

10.1 In Column A below are listed the functions of the State and in Column B terms or concepts relating to these functions. Write down only the letter of the correct answer next to the number of the appropriate function, e.g. 10.1.1 (d) in your answer book.

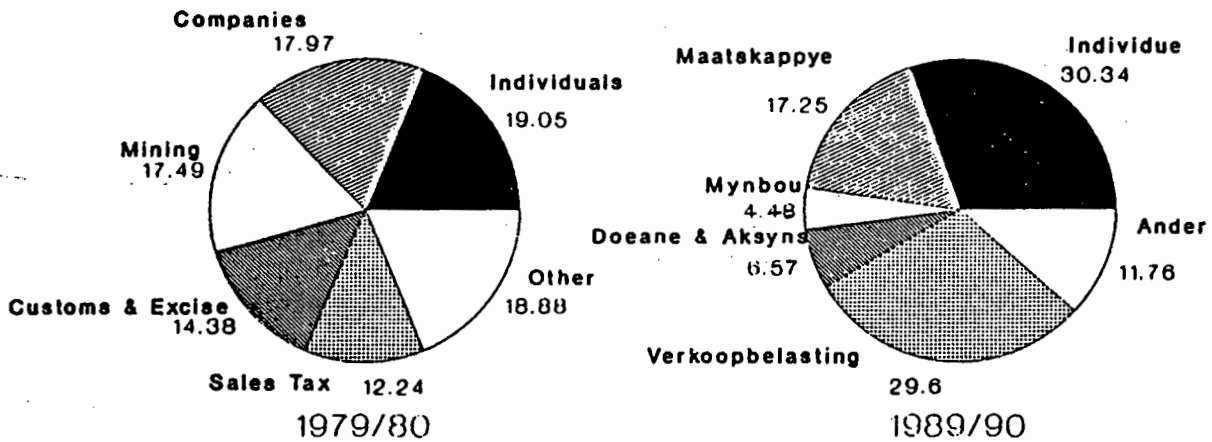
COLUMN ACOLUMN B

- | | | |
|--------|--|--|
| 10.1.1 | Promotion of social welfare | (a) Reserve Bank
(b) State Departments
(c) Social Security
(d) Armscor
(e) Companies Act
(f) Land and Agricultural Bank |
| 10.1.2 | Regulation of mutual relationships in the business world | |
| 10.1.3 | Maintenance of internal and external security | |
| 10.1.4 | Preservation and protection of natural resources | |
| 10.1.5 | Control over money and banking | |

(5x2) = (10)

10.2 The pie-charts below indicate how the composition of tax revenue of the RSA changed from 1979/80 to 1989/90. Study the information and then answer the questions that follow.

**COMPOSITION OF TAX REVENUE
SAMESTELLING VAN BELASTINGINKOMSTE**



10.2.1 "Personal Income Tax is the largest contributor towards total revenue and comprises approximately 30% of the total." By what percentage did personal income tax increase from 1979/80 to 1989/90? Give a possible reason for this increase. (4)

10.2.2 What kind of taxation shows the greatest increase from 1979/80 to 1989/90 and what was the percentage increase? (4)

10.2.3 By what percentage did taxation on mines decrease during the period 1979/80 to 1989/90. Give a possible reason for this decrease. (4)

10.2.4 Choose from this list below (a) and (b):
 (a) TWO kinds that are regressive in nature. (4)
 (b) TWO kinds that are progressive in nature. (4)

Kinds of taxation

Personal income tax; sales tax; transfer duties; customs duties; company tax.

(20)

- 10.3 Answer the following questions on the Budget of the RSA:
- 10.3.1 "The first step in the budget process is the determining of general policy guidelines by the Minister of Finance."
List the THREE other stages through which the budget must go. (6)
- 10.3.2 Who is the present Minister of Finance? (2)
- 10.3.3 Name two persons (experts) who assist and advise the Minister. (4)
- 10.3.4 Which THREE factors can influence his decisions? (6)
- 10.3.5 Besides the main budget, the Minister of Finance may submit three other budgets. Name and describe these budgets. (12) (30)

/60/

Questionnaire No. _____.

SCHOOL OF EDUCATION

UNIVERSITY OF CAPE TOWN

RESEARCH PROJECT ON HIGH SCHOOL ECONOMICS

The AIMS of this questionnaire for teachers are the following:

- (1) to evaluate the general objectives and approach to the teaching of High School Economics;
- (2) to determine the factors which have a major influence on the content taught in Economics e.g. textbooks, examinations etc.;
- (3) to suggest possible changes to the current Economics Syllabus;

GENERAL GUIDELINES

- (1) The objectives of this research project can only be achieved with your kind co-operation and if **all** the questions are completed honestly and correctly.
- (2) Your responses will be processed statistically, so that it will be impossible to identify any person or school.
- (3) Kindly circle the appropriate response and/or complete the empty spaces in every section or subsection.
- (4) **KINDLY RETURN THE COMPLETED QUESTIONNAIRE IN THE PREPAID ENVELOPE BY _____**

THANK YOU FOR YOUR KIND ASSISTANCE

QUESTIONNAIRE ON HIGH SCHOOL ECONOMICS

KINDLY ANSWER THE FOLLOWING QUESTIONS BY CIRCLING THE NUMBER ALONGSIDE THE APPROPRIATE CHOICE OR WRITING IN THE RELEVANT INFORMATION AS REQUESTED.

A. General and Personal Information

1. Education Department in which you teach :
 1. Cape Education
 2. Dept of Education and Culture
 3. Private School
 4. Other (specify) _____

2. Type of School :
 1. Ordinary
 2. Commercial
 3. Other (specify) _____

3. Age :
 1. 25 years and less
 2. 26 to 35 years
 3. 36 to 45 years
 4. 46 years and more

4. Sex :
 1. Male
 2. Female

5. Academic Qualifications:
Indicate your highest academic qualification only
(B.Ed and other Education degrees excluded)
 1. Bachelor's degree
 2. Honours degree
 3. Master's degree
 4. Doctor's degree
 5. Other (specify) _____

6. Education Qualifications:
(Indicate which formal courses you have completed)
 1. Teacher's Diploma
 2. B.Ed
 3. M.Ed
 4. D.Ed
 5. Other (specify) _____

7. What is your main teaching subject :
 1. Economics
 2. Accounting
 3. Other (specify) _____

8. What percentage of your time is spent teaching Economics?
 1. 25% or less
 2. 26% to 50%
 3. 51% +

9. Complete the table in respect of classes taught

	Total no. of pupils	No of classes	Language medium
Std 8 SG			
Std 9 SG			
Std 10 SG			

B.Objectives

The following questions will be used to evaluate the extent of acceptance of the general objectives of Economics and to make any necessary recommendations.

Indicate your reaction to the following objectives as listed in the official Economics syllabus by circling the response of your choice. Provide explanatory comments in the space provided below each objective.

- * SA = strongly agree
- * A = agree
- * N = neutral
- * D = disagree
- * SD = strongly disagree

- The teaching of Economics must have a Christian character, i.e. the subject matter, handbooks, the presentation of the teacher and the class atmosphere must be in accordance with the acceptable Christian way of life.

SA__A__N__D__SD

Comment. _____

- The teaching of economics must have a national character, i.e. it must instil in the pupil a love for and interest in what is peculiar to the Republic of South Africa and her people.

SA__A__N__D__SD

Comment. _____

3. It must promote an appreciation of the South African economic system, which is based on free enterprise, private ownership, freedom of economic activities, in contrast with other economic systems, e.g. state controlled economies.

SA__A__N__D__SD

Comment. _____

4. It must be of a general formative nature and vocationally directed

SA__A__N__D__SD

Comment. _____

5. Which two of the above objectives do you find the most difficult to apply?

No. ___ Reason. _____

No. ___ Reason. _____

- C. The following questions will be used to determine classroom practice and teaching trends in Economics. Indicate your reaction to each of the following statements about Economics and the teaching thereof by circling the response of your choice.
1. It must provide pupils with insight into the national and world economy.
SA__A__N__D__SD
 2. Economics provides the pupil with insight into basic economic concepts used regularly in the media.
SA__A__N__D__SD
 3. Teachers of Economics usually spend considerable class time discussing current economic events.
SA__A__N__D__SD
 4. Economics pupils must be encouraged to develop the ability to apply economic theory to real situations.
SA__A__N__D__SD
 5. It is not necessary for pupils to acquire knowledge of basic economic principles.
SA__A__N__D__SD
 6. School Economics pupils are enabled to develop the ability to read and understand statistical and other data.
SA__A__N__D__SD
 7. Memorising of economic definitions and laws for its own sake is to be discouraged.
SA__A__N__D__SD
 8. Many teachers resort to teaching pupils to learn Economics by rote.
SA__A__N__D__SD
 9. Teachers spend considerable classroom time emphasising the practical usefulness of Economic Theory.
SA__A__N__D__SD
 10. Examination results have an important effect on teaching methods used by Economics teachers.
SA__A__N__D__SD
 11. It is important to use several texts (textbooks and other reference books) to develop a broad understanding of Economics.
SA__A__N__D__SD
 12. Economics pupils are taught to rely heavily on the prescribed textbook because of examination requirements.
SA__A__N__D__SD
 13. Economics examiners accept all relevant data in examinations, regardless of whether it appears in the official textbook or not.
SA__A__N__D__SD
 14. The content knowledge accepted in examinations in stds 8 & 9 differs from that which is acceptable in std 10 because teachers accept more than textbook information. 312
SA__A__N__D__SD

D.Syllabus content

1. What official textbook(s) is/are used in your school for issue to Economics pupils?

Title : _____

Author(s) : _____

Title : _____

Author(s) : _____

2. Give the reason for the textbook being chosen (if you know it).

3. Do you use other books for lesson preparation?

YES__SOMETIMES__NO

If yes or sometimes , name up to two most frequently used

Title : _____

Author: _____

Reason for use of book _____

Title : _____

Author: _____

Reason for use of book _____

If no, please explain why.

4. Do you have any particular problems with the textbook presently used?

YES__SOMETIMES__NO

Please explain your answer.

5. It is common practice for Senior Certificate Examinations in Economics to follow the approved textbooks closely. Would you like this practice to be changed?

YES__NO

Explain : -----

PLEASE CONSULT THE ENCLOSED OUTLINE OF THE SYLLABUS TO ANSWER QUESTIONS 6 to 10

These questions will be used to propose changes to the syllabus.

The word **BEST** is used to describe areas of the syllabus which you regard as necessary for adequate understanding of Economics at the particular level specified. It might well be that these sections are more enjoyable for both teacher and pupil but it is not necessarily so. **WORST** on the other hand describes those sections that are a problem to teach because of their irrelevance to the needs of the pupil at this particular stage.

6. Std 8 Syllabus

Name the **BEST** two sections

a. _____

b. _____

Name the **WORST** two sections

a. _____

b. _____

7. Std 9 Syllabus

Name the **BEST** two sections

a. _____

b. _____

Name the **WORST** two sections

a. _____

b. _____

8. Std 10 Syllabus

Name the **BEST** two sections

a. _____

b. _____

Name the **WORST** two sections

a. _____

b. _____

9. Mention any areas you believe should be added to the syllabus

Std 8 : _____

Std 9 : _____

Std 10: _____

10. Mention any areas you believe should be withdrawn from the syllabus.

Std 8 : _____

Std 9 : _____

Std 10: _____

E.Syllabus Evaluation

1. In your experience is there a difference in the teaching of Standard Grade and Higher Grade Economics?
YES__SOMETIMES__NO

Explain _____

2. Does the std 10 examination affect your teaching in stds 8 & 9?
YES__SOMETIMES__NO

Explain (if applicable) _____

3. Would like to have compulsory and optional sections in the syllabus?
YES__SOMETIMES__NO

Explain _____

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