

ICE TASK (5)
(WORKSHEET - LU 5 → CH 13)

① List the five (5) main macroeconomic objectives usually used by economists to judge the performance of the economy. (5)

② Which macroeconomic objectives have been achieved in each of the following cases?

- 1 The year-on-year increase in the CPI has decreased from 6.5% to 3.8%. (1)
- 2 The deficit on the current account has decreased from –R70 billion to –R15 billion. (1)
- 3 The increase in real GDP exceeds the target of 5% annual increase. (1)

③ Q.7.2 The table below shows South Africa's economic growth during the period 2004 – 2010. Briefly explain how the relatively high economic growth from 2004 to 2007 would have affected the achievement of two (2) other macroeconomic objectives. (4)

Economic Growth in South Africa 2004 – 2010	
Year	Annual percentage increase in Real GDP
2004	4,55
2005	5,28
2006	5,60
2007	5,55
2008	3,62
2009	-1,53
2010	3,09

(SARB Quarterly Bulletin, March 2013)

④ Which macroeconomic objectives have been achieved in each of the following cases?

- 1 The year-on-year increase in the CPI has decreased from 6.5% to 3.8%. (1)
- 2 The Gini coefficient has decreased from 0.58 to 0.52. (1)
- 3 The deficit on the current account has narrowed from 6.8% of GDP to 2.4% of GDP. (2)