

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS International General Certificate of Secondary Education

CANDIDATE NAME				
CENTRE NUMBER		CANDIDATE NUMBER		

ECONOMICS 0455/33

Paper 3 Analysis and Critical Evaluation

October/November 2010
1 hour 30 minutes

Candidates answer on the Question Paper. Additional Materials: Insert.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

You may use a soft pencil for any diagrams, graphs or rough working.

Do not use staples, paper clips, highlighters, glue or correction fluid.

DO NOT WRITE IN ANY BARCODES.

Answer all questions.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [] at the end of each question or part question.

For Exam	iner's Use
1	
2	
Total	

This document consists of **9** printed pages, **3** blank pages and **1** Insert.



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The extract	. The bower	oi Gazbioiii	will be ne	eaea ioi inis	uuesiion.

For Examiner's Use

1	(a)	Draw a demand and supply diagram to show the effect of an increase in demand for gas on the world market for gas.
		[3]
	(b)	Using information from the extract, explain why Gazprom's share price may have fallen in 2009.

111 2000.

(c)	(i)	Give two reasons why a firm may borrow.	For
			Examiner's
			Use
		[2]	
	(ii)	What effect might Gazprom's spending on building new pipelines have on the company's profits in the short term and long term?	
		[4]	

) Comment on how close Gazprom was to being a monopoly in 2008.		
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		[3]
	i)	Comment on how close Gazprom was to being a monopoly in 2008.

(ii)	Discuss the information you would need in order to assess whether a monopoly is benefiting consumers.
	[6]

[Total: 24]

For Examiner's Use The extract 'Information on Gross Domestic Product (GDP), Human Development Index (HDI), foreign aid and health expenditure in selected countries' will be needed for this question.

For Examiner's Use

2	(a)	Economists expect countries which have a high GDP per head to have a high HDI value. Does the information in the extract support this expected relationship?
		[4]

(b)	Expl valu	ain why a country may have a relatively high GDP per head but a relatively low HDI e.	For Examiner's Use
		[3]	
(c)	(i)	Explain how a country's level of GDP per head might be expected to affect the level of foreign aid received per head.	
		[2]	

(ii)	Does the information in the extract confirm this expected relationship between GDP per head and the level of foreign aid received per head?	For Examiner's Use
	[2]	

For Examiner's Use

(d)	Of the countries shown, Sierra Leone had the lowest spending on health care per head and the lowest GDP per head. Discuss what factors will influence whether a rise in spending on health care would increase real GDP per head.
	[5]
	[Total: 16]

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