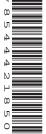


# UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS International General Certificate of Secondary Education

| CANDIDATE<br>NAME |  |  |                     |  |  |
|-------------------|--|--|---------------------|--|--|
| CENTRE<br>NUMBER  |  |  | CANDIDATE<br>NUMBER |  |  |



ECONOMICS 0455/32

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 Examiner's Use |  |  |
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| 1                  |  |  |
| 2                  |  |  |
| Total              |  |  |

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



The extract 'Africa's growing mobile (cell) phone market' will be needed for this question.

1

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| (a) | Give <b>two</b> possible causes of an increase in the supply of mobile phones.  |
|-----|---|
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|     | [2]   |
| (b) | Using the information in the table, compare the ownership of mobile phones and computers in the three African countries with that in the three Western countries. |
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| (c) | Usii<br>pho | ng a demand diagram in <b>each</b> case, illustrate the effect on the demand for mobi | e For Examiner's |
|     | (i)         | a fall in the price of mobile phones  |                  |
|     | W           | a fail in the price of mobile priories  |                  |
|     |             | [:  | 2]               |
|     | (ii)        | an increase in the awareness of the benefits of mobile phones.                        |                  |
|     |             |   | 2]               |

| (d) | Explain how the use of mobile phones may reduce market failure in agricultural markets. | For<br>Examiner's<br>Use |
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|     | [3]   |                          |
| (e) | Describe <b>two</b> characteristics of a private limited company such as Globacom.      |                          |
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| (f) | (i) | Are corporate taxes direct or indirect taxes? Explain your answer. | For<br>Examiner's<br>Use |
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| (ii) | Discuss whether imposing corporate taxes on the profits of mobile phone companies will discourage multi-national phone companies from setting up in a country. |
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[Total: 24]

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The extract 'United States (US) unemployment reaches new heights' will be needed for this

question. 2 (a) Explain what is meant by the unemployment rate. (b) What could have explained the difference in the number of Americans losing their jobs and the rise in US unemployment in December 2008?

|   | [3]  |
|---|--|
|   | Discuss what other information you would need to assess whether economic performance in the US was stronger than Japan's at the start of 2009. |
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