

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS International General Certificate of Secondary Education

CANDIDATE NAME			
CENTRE NUMBER		CANDIDATE NUMBER	

983374912

ECONOMICS 0455/32

Paper 3 Analysis and Critical Evaluation

May/June 2013 1 hour 30 minutes

Candidates answer on the Question Paper.

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.



The extract 'Should plastic bags be banned?' will be needed for this question.

For Examiner's Use

1	(a)	(i)	Define external costs.
			[2]
		(ii)	Using information from the extract, explain two external costs which arise from the use of plastic bags.
			[4]

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(b)	Using a demand and supply diagram, explain the effect a tax imposed on the sale of plastic bags would have on the market for plastic bags.	For Examiner's Use
	[4]	
	[']	

(c)	Using information from the extract, explain one disadvantage of banning plastic bags.	For
		Examiner's
		Use
	[2]	
	ι_,	
(d)	Calculate the percentage of the plastic bags used worldwide in 2011 which were consumed in the USA.	
	[2]	
(e)	Discuss whether an increase in tourism will always benefit a country.	
		1

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			Examiner's Use
		[6]	
		[Total: 20]	
Th	e extr	ract 'Will India overtake China?' will be needed for this question.	
Th:		ract 'Will India overtake China?' will be needed for this question. What is meant by economic growth?	
		What is meant by economic growth?	
		What is meant by economic growth?	

For Examiner's Use

(b)		ng information from the extract, explain one reason, in each case, why India's labour e is expected to grow in
	(i)	quantity,
		[2]
	(ii)	quality.
		[2]
(0)	Con	
(c)		nment on whether the data in Table 1 supports the expected relationship between stment growth and unemployment.

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		[4]
(d)	(i)	Using information from the extract, identify two functions of commercial banks.
		[2]
	(ii)	Explain one other function of a commercial bank.
	(ii)	Explain one other function of a commercial bank.
	(ii)	Explain one other function of a commercial bank.
	(ii)	Explain one other function of a commercial bank.
	(ii)	Explain one other function of a commercial bank.
	(ii)	Explain one other function of a commercial bank.
	(ii)	Explain one other function of a commercial bank.
	(ii)	Explain one other function of a commercial bank.
	(ii)	
(e)		
(e)		[2]
(e)		[2]
(e)		[2]
(e)		

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[6]	
[Total: 20]	

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