



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS International General Certificate of Secondary Education

| CANDIDATE NAME | | | | | |
|-------------------|--|--|---------------------|--|--|
| CENTRE NUMBER | | | CANDIDATE NUMBER | | |

ECONOMICS 0455/03

Paper 3 Analysis and Critical Evaluation

May/June 2009 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 8 printed pages and 1 insert.



The extract 'Skin-care Products' will be needed for this question.

1 (a) Identify three reasons why products containing rice are popular with consumers.

For Examiner's Use

[3]

| (b) | Explain, using demand and supply diagrams, what is likely to happen in the market for rice and in the market for cosmetics if there were to be a failure in the rice harvest. |
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| (c) | The extract says the government wishes to encourage exports. Why might this be a government aim? |
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| | [O] |
| (d) | Explain what is meant by a subsidy. |
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For Examiner's Use

| (e) | The extract says 'subsidies have been moved away from small farmers towards larger, more efficient, operations'. If you were asked to discover whether small farmers are in fact inefficient, what would you need to know? |
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| | [7] |
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[Total: 22]

For Examiner's Use The extract 'Economic Growth in Vietnam' will be needed for this question.

For Examiner's Use

| (a) | What is meant by GDP per capita? |
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| (b) | Identify from the chart which country had the biggest increase in GDP per capita between 1990-2005. |
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| (c) | Do the charts support the view that the higher the increase in GDP per capita the greater the reduction in poverty levels? |
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For Examiner's Use

| (d) | Explain, using examples, what the extract says is happening to the primary and secondary sectors in Vietnam. |
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| (e) | Discuss possible reasons why the European Union (EU) introduced tariffs. |
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Part (f) is on the next page.

| (f) | Discuss whether the evidence given suggests that Vietnam is a market economy. |
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[Total: 18]

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