



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

CANDIDATE NAME					
CENTRE NUMBER			CANDIDATE NUMBER		



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]
			[2]
		(ii)	Using information from the extract, explain <b>two</b> external costs which arise from the use of plastic bags.
			[4]

(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 <b>one</b> disadvantage of banning plastic bags.	For
		Examiner's
		Use
	[2]	
(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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		[6]	
		[Total: 20]	
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	quantity,
ii)	quality.
Cor	nment on whether the data in Table 1 supports the expected relationship betweestment growth and unemployment.
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			Е
		[4]	
(d)	(i)	Using information from the extract, identify <b>two</b> functions of commercial banks.	
		[2]	
	(ii)	Explain <b>one</b> other function of a commercial bank.	
		[2]	
(e)	Disc	cuss what factors will influence the amount saved in India in the future.	
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	For Examiner's Use
[6]	
[Total: 20]	

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