



## 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

October/November 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 'The changeable coffee market' will be needed for this question.

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1	(a)	(i)	Using information from the extract, calculate the percentage change in the price of coffee from June 2010 to May 2011.
			[2]
		(ii)	Using a demand and supply diagram, explain why the price of coffee rose in 2011.

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	Examiner's Use
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[6]	

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		[6]	
(b)	(i)	What evidence is there in the extract of specialisation?	
		[O]	
	<b></b>	[2]	
	(11)	Explain <b>one</b> disadvantage of a country specialising.	
		[2]	
		······································	

(c)	Using information from the extract, explain whether the price elasticity of supply of coffee is likely to be elastic or inelastic.	E
	rol	
	[2]	
(d)	Discuss what factors will influence how much coffee Brazil will export in the future.	

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				For Examiner's Use
			[6]	
			[Total: 20]	
The	o ovtr	act '	Australia's economic record' will be needed for this question.	
1110	CALI	act 1	Australia 3 economic record will be needed for this question.	
2	(a)	(i)	Define a trade in goods deficit.	
			[2]	
		(ii)	What effect does a rise in a country's foreign exchange rate have on its export prices and on its import prices?	
			[2]	

(b)	(i)	China had the higher labour productivity in 2010.	For caminer Use
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		[2]	
	(ii)	Using information from Table 1 and the extract, explain which country had more people employed in the services sector.	
		[2]	
c)	(i)	Calculate how many people were unemployed in Australia in 2011.	
		[2]	

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	(11)	Explain the two benefits of the low unemployment referred to in the extract.	For Examiner's
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		[41	
		[4]	
d)	Disc	suss whether an economy will always benefit from net immigration.	
	•••••		
	•••••		
	•••••		

	Exa
[6]	
[Total: 20]	

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