



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
International General Certificate of Secondary Education

CANDIDATE
NAME

CENTRE
NUMBER

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CANDIDATE
NUMBER

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ECONOMICS

0455/33

Paper 3 Analysis and Critical Evaluation

May/June 2011

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	
1	
2	
Total	

This document consists of **8** printed pages and **1** Insert.



The extract '**Is China's economic growth sustainable?**' will be needed for this question.

- 1 (a) State **two** influences on the demand for a country's exports.

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[2]

- (b) Identify **two** possible reasons why the Chinese savings ratio may fall in the future.

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[2]

- (c) (i) What is meant by cyclical unemployment?

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- (ii) Explain **one** consequence of unemployment referred to in the extract.

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[3]

- (d) (i) Describe the relationship between unemployment and inflation shown in Table 1.

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- (ii) Explain **one** possible reason for the relationship described in (d)(i).

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- (e) Discuss what factors are likely to influence whether unemployment will rise in C in the future.

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[7]

The extract '**Japan's population problem**' will be needed for this question.

- 2 (a) Calculate the estimated percentage fall in the Japanese population from 2008 to 2050.

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- (b) Identify:

- (i) **one** cause of a decline in population size **not** mentioned in the extract

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- (ii) **two** possible causes of the change in Japan's death rate.

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- (c) What is meant by the labour force?

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- (d) Explain, using a demand and supply diagram, the likely effect of an ageing population on the price of residential care.

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- (e) Explain why raising the retirement age would be expected to raise tax revenue.

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Question 2 (f) is on the next page

- (f) Discuss the information you would need to assess whether a rise in a country's exchange rate would benefit its economy.

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[Total: 20]