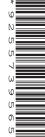


## UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS International General Certificate of Secondary Education

CANDIDATE NAME					
CENTRE NUMBER			CANDIDATE NUMBER		



ECONOMICS 0455/31

Paper 3 Analysis and Critical Evaluation

October/November 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 'The Brain Drain' will be needed for this question.

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Examiner's
Use

(a)	What is meant by a 'brain gain'?
	re
(b)	Explain <b>two</b> possible reasons why, in the future, Ghanaian doctors may choose to wor in Ghana.
	[4

(c)	(i)	Using the extract identify:	For
		a private benefit of education	Examiner's Use
		[1]	
		an external benefit of education.	
		[1]	
	(ii)	Explain <b>two</b> policies a government could use to encourage more people to enter higher education.	
		[4]	

(d)	Usi	ng Table 1, identify, relative to its GDP:	For
	(i)	the country <b>most</b> dependent on remittances	Examiner's Use
		[1]	
	(ii)	the country least dependent on remittances.	
		[1]	
(e)	Dise wou	cuss what factors should be taken into account when assessing whether an economy uld benefit from the emigration of its workers.	
		[6]	

[Total: 20]

The extract 'Microfinance' will be needed for this question.

2 (a) Identify, from the extract, three motives for borrowing. (b) (i) Explain what is meant by poverty.

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	(ii)	Apart from the difficulty of borrowing, explain <b>one</b> other disadvantage the extract suggests the poor experience.	For Examiner's Use
		[2]	
(c)	(i)	State <b>two</b> reasons why a conventional commercial bank may be reluctant to lend to the poor.	
		[2]	

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	(ii)	Using a demand and supply diagram, show the effect of increasing loans to poor entrepreneurs on the market for basic, inexpensive capital goods such as sewing machines.	For Examiner's Use
		[3]	
(d)	(i)	What is meant by entrepreneurial skills?	
		[2]	

else	cuss the factors that affect an individual's choice of whether to work for someone or to start their own business.
	[6]

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