

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS International General Certificate of Secondary Education

Paper 3 Analysis and Critical Evaluation	Octo	ober/November 2013
ECONOMICS		0455/32
CENTRE NUMBER	CANDIDATE NUMBER	
CANDIDATE NAME		

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.

This document consists of 8 printed pages and 1 Insert.



1 hour 30 minutes

The extract 'The changeable coffee market' will be needed for this question.

For Examiner's Use

1	(a) (i)	Using information from the extract, calculate the percentage change in the price of coffee from June 2010 to May 2011.
			[0]
			[2]
	(i	i)	Using a demand and supply diagram, explain why the price of coffee rose in 2011.

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			For Examiner's Use
		[6]	
	<i>a</i> n	[6]	
(b)	(i)	What evidence is there in the extract of specialisation?	
		[2]	
	(ii)	Explain one 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.	For Examiner's Use
	[2]	
(d)	Discuss what factors will influence how much coffee Brazil will export in the future.	

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			[6]	
			[Total: 20]	
The	e extr	act '	Australia's 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)	Using information from Table 1, explain whether agriculture or manufacturing in China had the higher labour productivity in 2010.	For xaminer Use
			000
		[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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	(")	Explain the two benefits of the low unemployment referred to in the extract.	For Examiner's
			Use
		[4]	
(d)	Disc	cuss whether an economy will always benefit from net immigration.	
			1

	For Examiner's Use
[6]	
[Total: 20]	

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