



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

0455/32

Paper 3 Analysis and Critical Evaluation

May/June 2010

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 'High rice prices lead to export restrictions' will be needed for this question.

1 (a) (i) Explain what is meant by opportunity cost.

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.....[2]

(ii) Identify, from the extract, **one** example of opportunity cost.

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.....[1]

(b) Why might the price of rice have increased less in Egypt than in the Philippines in 2008?

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(c) Draw a demand and supply diagram, for **each** case below, to show the effect on the market for rice of:

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(i) floods in North Korea

[3]

(ii) rises in income in China.

[3]

(d) Does the extract suggest that demand for rice in the Philippines was price elastic or price inelastic in 2008? Explain your answer.

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[3]

(e) Explain why the removal of export restrictions in Vietnam could reduce poverty in the Philippines.

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[3]

The extract ‘**A social and economic comparison of selected Indian States 2006**’ will be needed for this question.

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2 (a) (i) Why would economists expect that States with high senior school enrolment ratios would have a small percentage of their population living in poverty?

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(ii) Does the information in the extract support the view that States with high senior school enrolment ratios have a small percentage of their population living in poverty?

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(ii) Discuss what other information you would need to decide whether the quality of life is higher in Kerala than in Madhya Pradesh.

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Dotted lines for student response

[Total: 16]

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Question 2 Table 1 © Government of India Economic Survey 2007–08; Oxford University Press, New Delhi; 2008.

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