



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
International General Certificate of Secondary Education

CANDIDATE
NAME

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CENTRE
NUMBER

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CANDIDATE
NUMBER

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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.

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



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.

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- (ii) Using a demand and supply diagram, explain why the price of coffee rose in 2011.

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(b) (i) What evidence is there in the extract of specialisation?

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(ii) Explain **one** disadvantage of a country specialising.

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- (c) Using information from the extract, explain whether the price elasticity of supply of coffee is likely to be elastic or inelastic.

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Examiner's
Use*

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- (d) Discuss what factors will influence how much coffee Brazil will export in the future.

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[Total: 20]

The extract '**Australia's economic record**' will be needed for this question.

2 (a) (i) Define a trade in goods deficit.

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(ii) What effect does a rise in a country's foreign exchange rate have on its export prices and on its import prices?

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(b) (i) Using information from Table 1, explain whether agriculture or manufacturing in China had the higher labour productivity in 2010.

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(ii) Using information from Table 1 and the extract, explain which country had more people employed in the services sector.

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(c) (i) Calculate how many people were unemployed in Australia in 2011.

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[Total: 20]

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