

Paper Reference 9EB0/02
Pearson Edexcel
Level 3 GCE

Total Marks

Economics B

Advanced

Paper 2: Competing in the global economy

Tuesday 12 June 2018 – Afternoon

Time: 2 hours plus your additional time allowance.

In the boxes below, write your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

X52320A

You do not need any other materials.

YOU WILL BE GIVEN

Data Book

INSTRUCTIONS

Answer ALL questions.

Answer the questions in the spaces provided in this Question Paper or in the Data Book – there may be more space than you need.

INFORMATION

The total mark for this paper is 100

The marks for EACH question are shown in brackets – use this as a guide as to how much time to spend on each question.

Calculators may be used.

ADVICE

Read each question carefully before you start to answer it.

Try to answer every question.

Check your answers if you have time at the end.

Turn over

Answer ALL questions.

SECTION A

Read Extract A, Extract B and Extract C in the Data Book before answering Question 1.

Write your answers in the spaces provided.

1. Average wages in China increased from ¥29 229 per year in 2008 to ¥62 029 per year in 2015.

In the same period, there was an increase of 161% in outbound tourists from China.

- (a) Using this information, calculate, to 1 decimal place, the income elasticity of demand for outbound tourism from China.

You are advised to show your working.

(4 marks)

Answer lines continue on the next page.

Turn over

1. (a) continued.

(continued on the next page)

Turn over

1. continued.

(b) Using Extract B, explain ONE impact of the increase in tourists from China on the UK Balance of Payments.

(4 marks)

Answer lines continue on the next page.

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Turn over

1. (b) continued.

(continued on the next page)

1. continued.

(c) Explain ONE way in which the digital economy may boost UK tourism.

(4 marks)

Answer lines continue on the next page.

[illegible]

Turn over

1. (c) continued.

(continued on the next page)

Turn over

1. continued.

(d) Analyse the impact a trade union could have on the London hotel industry.

(6 marks)

Answer lines continue on the next two pages.

[illegible]

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

(continued on the next page)

1. continued.

(e) Using a suitable diagram, discuss the likely impact of advertising and other promotional methods on the price elasticity of demand for UK holidays.

(8 marks)

Answer lines continue on the next two pages.

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1. (e) continued.

[illegible]

Turn over

1. (e) continued.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins or other markings on the paper.

(continued on the next page)

Turn over

1. continued.

(f) Assess the claim that China represents ‘a huge tourism opportunity for Britain’. (Extract B)

(10 marks)

Answer lines continue on the next four pages.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Turn over

1. (f) continued.

[illegible]

Turn over

1. (f) continued.

[illegible]

Turn over

1. (f) continued.

[illegible]

Turn over

1. (f) continued.

(continued on the next page)

Turn over

1. continued.

(g) Assess the likely impact of the depreciation of the pound on the UK tourism industry.

(12 marks)

Answer lines continue on the next four pages.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Turn over

1. (g) continued.

[illegible]

Turn over

1. (g) continued.

[illegible]

Turn over

1. (g) continued.

[illegible]

Turn over

1. (g) continued.

(continued on the next page)

Turn over

1. continued.

The low wages and poor working conditions of staff in the London hotel industry are entirely due to the factors influencing the demand and supply of labour.

(h) Assess the accuracy of this statement.

(12 marks)

Answer lines continue on the next four pages.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

Turn over

1. (h) continued.

[illegible]

Turn over

1. (h) continued.

[illegible]

Turn over

1. (h) continued.

[illegible]

Turn over

1. (h) continued.

[illegible]

(Total for Question 1 = 60 marks)

TOTAL FOR SECTION A = 60 MARKS

Turn over

SECTION B

Read Extract D in the Data Book before answering Question 2.

Write your answer in the space provided.

- 2. Evaluate the impact of rising inflation on UK-based firms such as Britvic.**

(20 marks)

Answer lines continue on the next six pages.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Turn over

2. continued.

[illegible]

Turn over

2. continued.

[illegible]

Turn over

2. continued.

[illegible]

Turn over

2. continued.

[illegible]

Turn over

2. continued.

[illegible]

Turn over

2. continued.

(Total for Question 2 = 20 marks)

TOTAL FOR SECTION B = 20 MARKS

Turn over

SECTION C

Read Extract E, Figure 1 and Extract F in the Data Book before answering Question 3.

Write your answer in the space provided.

3. Madagascar specialises in the production of primary commodities such as nickel and vanilla.

Evaluate the impact of specialisation as a source of economic growth for developing economies such as Madagascar.

(20 marks)

Answer lines continue on the next six pages.

3. continued.

[illegible]

Turn over

3. continued.

[illegible]

Turn over

3. continued.

[illegible]

Turn over

3. continued.

[illegible]

Turn over

3. continued.

[illegible]

Turn over

3. continued.

This image shows a blank sheet of white paper with ten horizontal black lines, evenly spaced from top to bottom. The lines are solid and extend across the entire width of the page, providing a template for handwriting practice or general note-taking. There are no margins, text, or other markings on the paper.

(Total for Question 3 = 20 marks)

TOTAL FOR SECTION C = 20 MARKS

TOTAL FOR PAPER = 100 MARKS

END OF PAPER

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