

Paper Reference 9EB0/03
Pearson Edexcel
Level 3 GCE

Total Marks

Economics B

Advanced

**Paper 3: The economic environment and
business**

Friday 15 June 2018 – Morning

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					

X52321A

YOU MUST HAVE

**Insert
Data Book**

INSTRUCTIONS

Answer ALL questions.

Answer the questions in the spaces provided in this Question Paper – 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.

Answer ALL questions.

SECTION A

Read Extract A, Extract B, Extract C, Figure 1, Figure 2, Extract D, Figure 3 and Figure 4 in the Data Book before answering Question 1.

Write your answers in the spaces provided.

- 1. (a) Using Extract A, discuss the use of HDI as an indicator of growth.**

(8 marks)

Answer lines continue on the next two 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.

1. (a) continued.

[illegible]

Turn over

1. (a) continued.

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(continued on the next page)

Turn over

1. continued.

(b) Assess the importance of transport and communication to the increase in globalisation over the last 50 years.

(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.

1. (b) continued.

[illegible]

Turn over

1. (b) continued.

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Turn over

1. (b) continued.

[illegible]

Turn over

1. (b) continued.

(continued on the next page)

1. continued.

(c) Assess the impact of demographic change on the global labour force.

(12 marks)

Answer lines continue on the next four pages.

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1. (c) continued.

[illegible]

Turn over

1. (c) continued.

[illegible]

Turn over

1. (c) continued.

[illegible]

Turn over

1. (c) continued.

(continued on the next page)

1. continued.

(d) Evaluate the implications of the growing economic power of emerging markets for individuals and firms.

(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

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

[illegible]

(Total for Question 1 = 50 marks)

TOTAL FOR SECTION A = 50 MARKS

Turn over

SECTION B

Read Extract E, Extract F, Extract G and Figure 5 in the Data Book before answering Question 2.

Write your answers in the spaces provided.

- 2. The European Union (EU) imposes a tariff of 14% on bicycles entering the EU from outside Europe. (Extract F)**

- (a) Using a suitable diagram, discuss the impact of this tariff on sales of Indian bicycles imported into the EU.**

(8 marks)

Answer lines continue on the next three 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.

2. (a) continued.

[illegible]

Turn over

2. (a) continued.

[illegible]

Turn over

2. (a) continued.

(continued on the next page)

2. continued.

(b) **Assess the benefits of market segmentation for the global bicycle manufacturer *Avocet*.**

(10 marks)

Answer lines continue on the next four pages.

Turn over

2. (b) continued.

[illegible]

Turn over

2. (b) continued.

[illegible]

Turn over

2. (b) continued.

[illegible]

Turn over

2. (b) continued.

(continued on the next page)

2. continued.

(c) **Assess Hero Cycles' decision to open its Global Design Centre in Manchester.**

(12 marks)

Answer lines continue on the next four pages.

Turn over

2. (c) continued.

[illegible]

Turn over

2. (c) continued.

[illegible]

Turn over

2. (c) continued.

[illegible]

Turn over

2. (c) continued.

(continued on the next page)

2. continued.

(d) Evaluate the extent to which Hero Cycles should adapt its marketing strategy for global markets.

(20 marks)

Answer lines continue on the next six pages.

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Turn over

2. (d) continued.

[illegible]

Turn over

2. (d) continued.

[illegible]

Turn over

2. (d) continued.

[illegible]

Turn over

2. (d) continued.

[illegible]

Turn over

2. (d) continued.

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Turn over

2. (d) continued.

[illegible]

(Total for Question 2 = 50 marks)

TOTAL FOR SECTION B = 50 MARKS

TOTAL FOR PAPER = 100 MARKS

END OF PAPER

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