

Paper Reference 9EB0/03
Pearson Edexcel
Level 3 GCE

Total Marks

Economics B

Advanced

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

Monday 19 June 2017 – 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					

X52141A

YOU WILL BE GIVEN

**Data Book
Insert**

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.

Answer ALL questions.

SECTION A

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

Write your answers in the spaces provided.

- 1. (a) Discuss the extent to which the UK obesity problem can be seen as market failure in the food industry.**

(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.

(continued on the next page)

1. continued.

(b) Using Extract B and Figures 2 and 3, assess whether poverty reduction policies are the most effective way of dealing with the obesity crisis in the UK.

(10 marks)

Answer lines continue on the next two pages.

[illegible]

1. (b) continued.

[illegible]

Turn over

1. (b) continued.

[illegible]

(continued on the next page)

1. continued.

(c) Using suitable diagrams, assess the likely success of a sugar tax in reducing obesity in the UK.

(12 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 extend across the width of the page. There are no margins, text, or other markings on the paper.

1. (c) continued.

This image shows a full page of white paper with horizontal black ruling lines. The lines are evenly spaced and run across the width of the page, providing a template for handwriting practice or general note-taking. There are no margins, text, or other markings on the page.

Turn over

1. (c) continued.

[illegible]

1. (c) continued.

(continued on the next page)

1. continued.

(d) Evaluate the argument that market failure can be solved by government intervention.

(20 marks)

Answer lines continue on the next five pages.

[illegible]

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

[illegible]

Turn over

1. (d) continued.

[illegible]

1. (d) continued.

(Total for Question 1 = 50 marks)

TOTAL FOR SECTION A = 50 MARKS

SECTION B

Read Extract D, Extract E, Extract F, Figure 4 and Figure 5 in the Data Book before answering Question 2

Write your answers in the spaces provided.

- 2. (a) Discuss the likely impact of an increase in the minimum wage on a firm such as Whitbread.**

(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.

2. (a) continued.

[illegible]

Turn over

2. (a) continued.

(continued on the next page)

2. continued.

(b) Assess Lidl's decision to become the first UK supermarket to pay 'at least the full living wage' (Extract E, line 5).

(10 marks)

Answer lines continue on the next two pages.

[illegible]

Turn over

2. (b) continued.

[illegible]

Turn over

2. (b) continued.

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(continued on the next page)

2. continued.

(c) Using a suitable diagram, assess the effectiveness of a rent cap in solving the problems of the London housing market. (12 marks)

Answer lines continue on the next three pages.

[illegible]

2. (c) continued.

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Turn over

2. (c) 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.

Turn over

2. (c) continued.

(continued on the next page)

2. continued.

(d) With reference to Figures 4 and 5, evaluate the success of UK government policies in reducing regional variations in unemployment.

(20 marks)

Answer lines continue on the next five 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. (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.

(Total for Question 2 = 50 marks)

TOTAL FOR SECTION B = 50 MARKS

TOTAL FOR PAPER = 100 MARKS

END OF PAPER

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