

Total Marks

Economics B
Advanced
PAPER 2: Competing in the global economy

Time: 2 hours

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

Surname					
Other names					
Centre Number					
Candidate Number					

YOU MUST HAVE

Nil

YOU WILL BE GIVEN

Data Booklet

INSTRUCTIONS

Answer ALL questions.

Answer the questions in the spaces provided in this Question Paper or on the separate data sheets – 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.

There may be spare copies of some data sheets in case you need them.

Turn over

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 extracts A to D in the Data Booklet before answering Question 1.

Write your answers in the spaces provided in this Question Paper or on the separate data sheets.

1. (a) Using the data from Extract A in the Data Booklet, calculate to two decimal places the UK GDP per capita for **2017**. You are advised to show your working.

(4 marks)

Answer lines continue on the next page.

1. (a) continued.

(continued on the next page)

1. continued.

Refer to the table for Question 1(b) in the Data Booklet.

It shows the average hourly wage for different sectors of the UK economy in 2021.

(b) Calculate the median hourly wage for the service sector ONLY. You are advised to show your workings.

(4 marks)

Answer lines continue on the next page.

Turn over

1. (b) continued.

(continued on the next page)

Turn over

1. continued.

(c) Using the data in Extract D in the Data Booklet, calculate the difference in the percentage change in labour productivity for the UK and Denmark between 2015 and 2018. You are advised to show your working.

(4 marks)

Answer lines continue on the next page.

[illegible]

Turn over

1. (c) continued.

(continued on the next page)

1. continued.

- (d) Analyse TWO factors influencing labour productivity in either Denmark or the UK.
(6 marks)**

Answer lines continue on the next page.

Turn over

1. (d) continued.

(continued on the next page)

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1. continued.

(e) Discuss the likely impact of low productivity on economic growth in the UK between 2015 and 2018.

(8 marks)

Answer lines continue on the next two pages.

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1. (e) continued.

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1. (e) continued.

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1. continued.

(f) Assess the usefulness of the GINI coefficient as a measure of absolute and relative poverty.

(10 marks)

Answer lines continue on the next two pages.

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1. (f) continued.

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1. continued.

The UK has a legal minimum wage. Denmark has no legal minimum wage.

(g) Assess the impact of a minimum wage on income inequality.

(12 marks)

Answer lines continue on the next three pages.

1. (g) continued.

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1. (g) continued.

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1. (g) continued.

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1. continued.

(h) With reference to Extract B in the Data Booklet and using a suitable diagram, assess the likely economic impact of the level of investment in Denmark.

There is space on pages 9–10 in the Data Booklet if you wish to use it.

(12 marks)

Answer lines continue on the next three pages.

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1. (h) continued.

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1. (h) continued.

(Total for Question 1 = 60 marks)

TOTAL FOR SECTION A = 60 MARKS

Turn over

SECTION B

Read extracts E and F in the Data Booklet before answering Question 2.

Write your answer in the space provided in this Question Paper.

- 2. Evaluate the importance of wage costs in influencing the location of manufacturing firms. (20 marks)**

Answer lines continue on the next six pages.

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[illegible]

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2. continued.

(Total for Question 2 = 20 marks)

TOTAL FOR SECTION B = 20 MARKS

Turn over

SECTION C

Read extracts G to I in the Data Booklet before answering Question 3.

Write your answer in the space provided in this Question Paper.

- 3. Evaluate the impact of low or negative economic growth upon a developing economy such as Brazil. (20 marks)**

Answer lines continue on the next six pages.

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3. continued.

(Total for Question 3 = 20 marks)

TOTAL FOR SECTION C = 20 MARKS

TOTAL FOR PAPER = 100 MARKS

END OF PAPER
