

Paper Reference 4EC1/01
Pearson Edexcel
International GCSE

Economics
Level 1/2
Paper 1: Microeconomics and Business Economics

Friday 24 May 2019 – Afternoon

Data Book

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

Surname					
Other names					
Centre Number					
Candidate Number					

INSTRUCTIONS

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

**THIS DATA BOOK MUST BE RETURNED WITH THE
QUESTION PAPER AT THE END OF THE EXAMINATION.**

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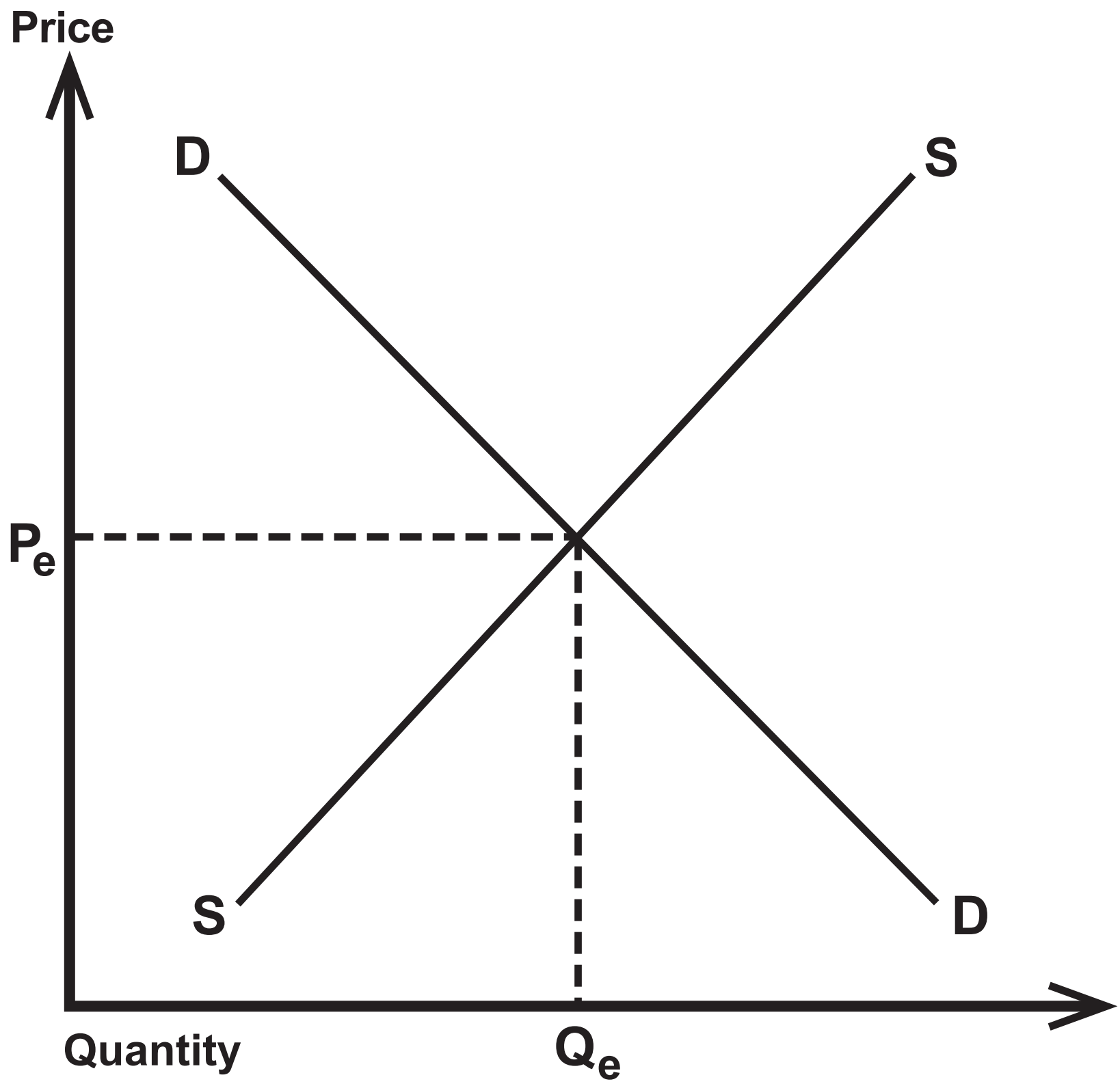
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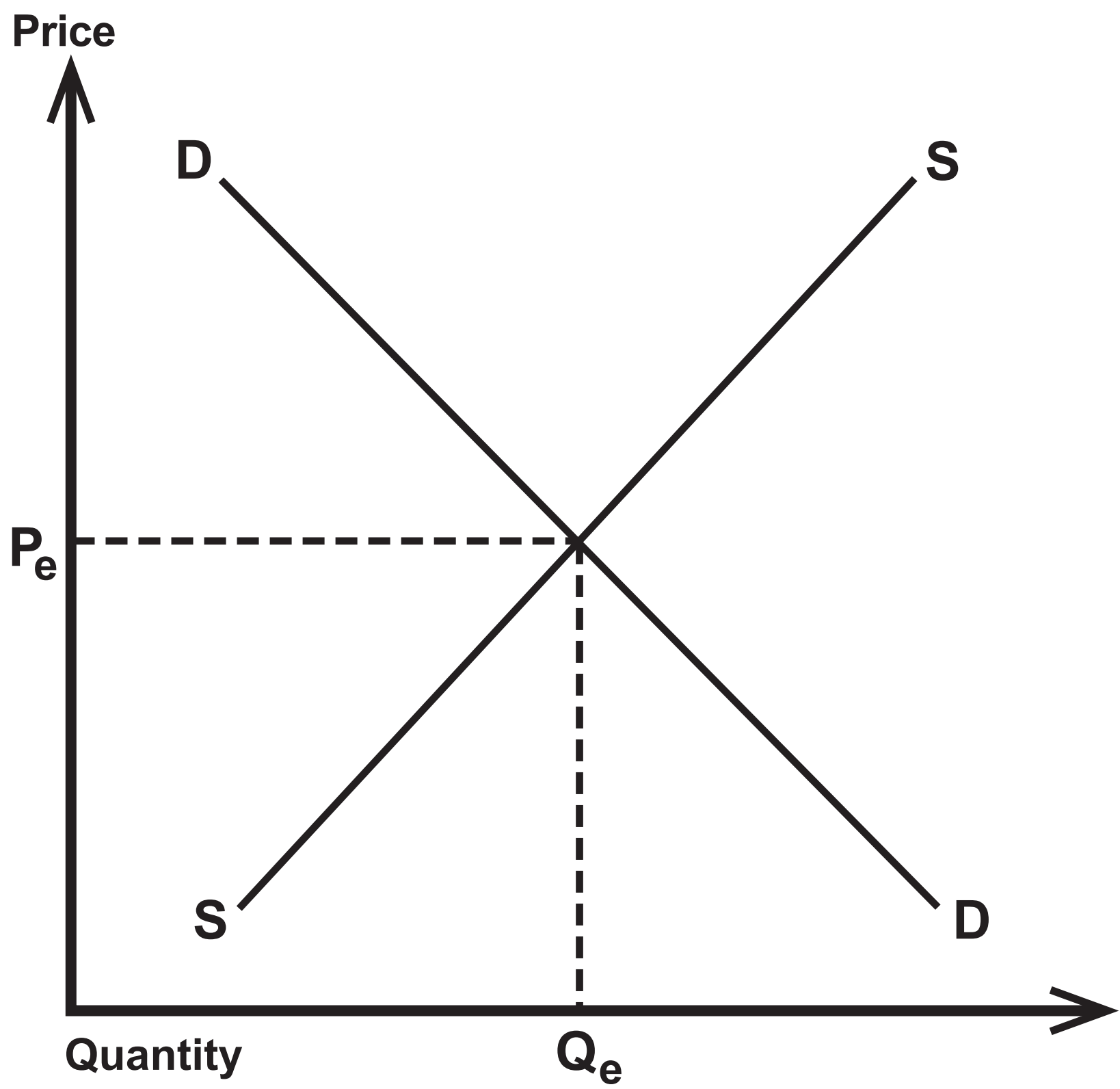
Question 1(f)

Quantity	Total fixed costs	Total variable costs
2,000	\$7 340	\$4 760

Question 1(g)



Question 1(g)



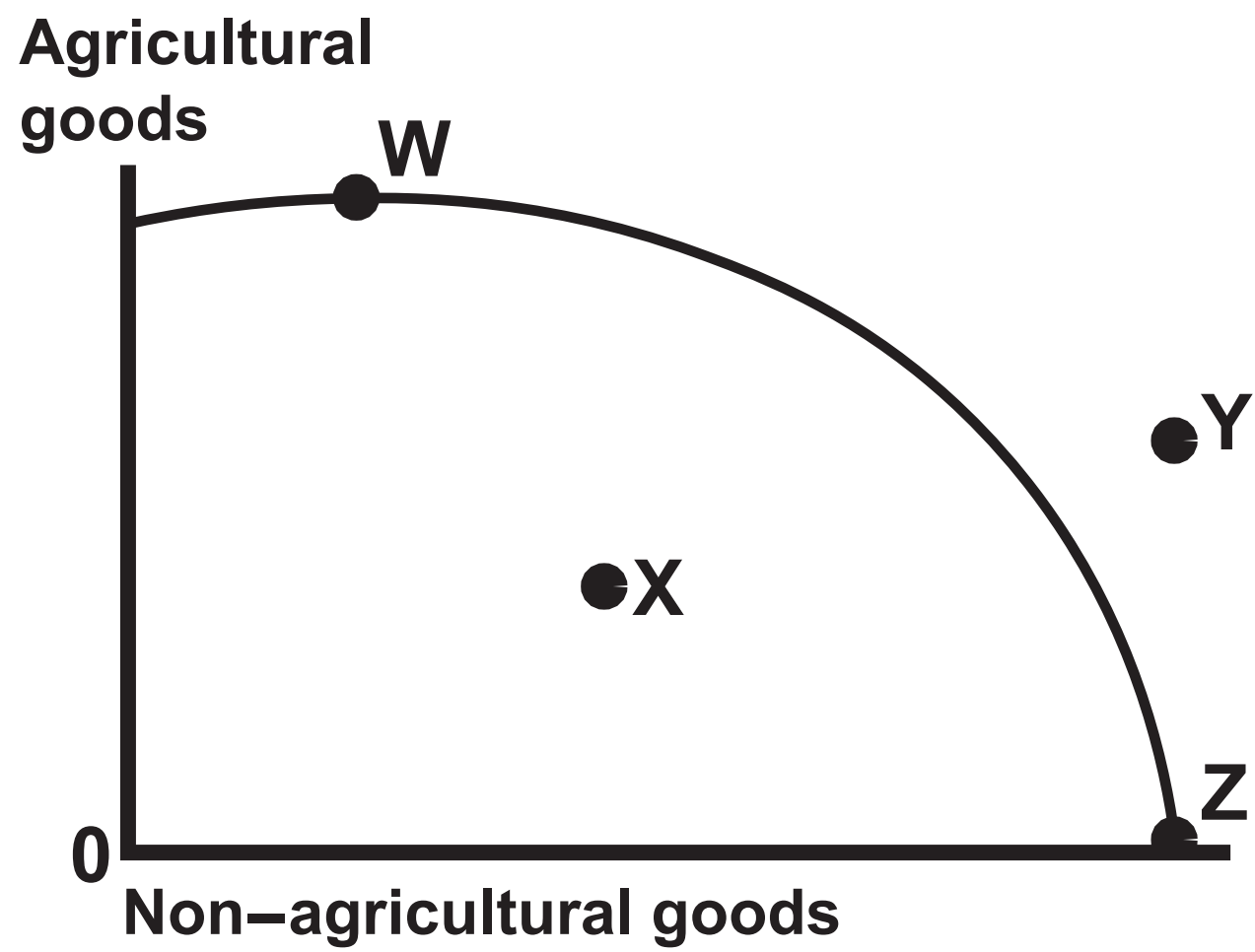
Question 1(i)

Introduced in 1935, Inca Kola is a yellow–gold coloured, fizzy, soft drink that is popular all over Peru. By 1995, Inca Kola had grown to become a strong competitor of Coca–Cola. Inca Kola had a 32·9% market share compared to Coca–Cola’s 32·0% in Peru.

By 2014, Coca–Cola owned 48·5% of Inca Kola shares.

(Source: adapted from Peru’s ‘improbable’ Inca Kola wins out over Coke by Andres Schipani © Financial Times September 2014)

Question 2(b)



Question 2(f) and (g)**Beating the congestion in Dhaka**

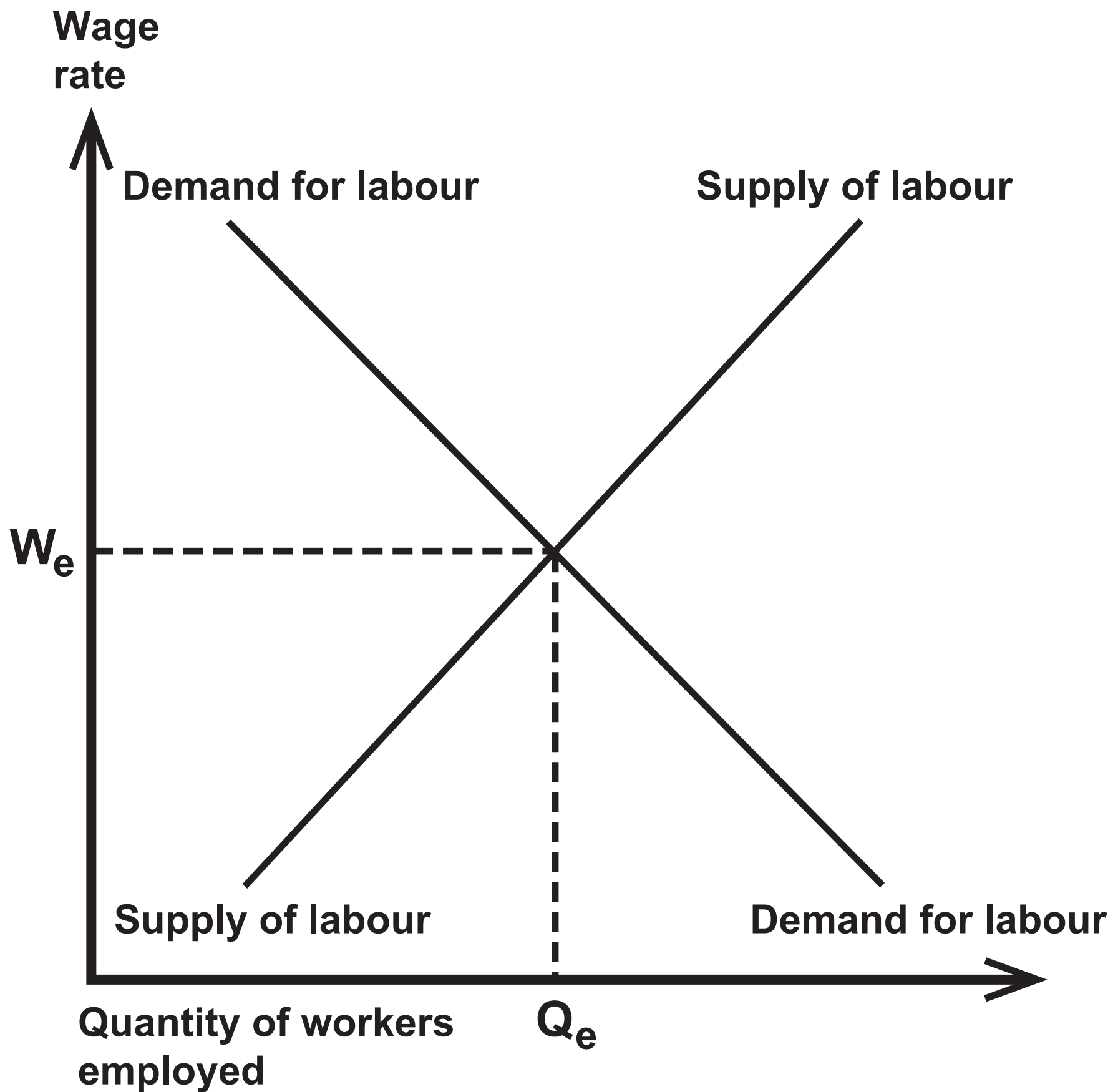
Nearly **17** million people live in Dhaka, the capital of Bangladesh. The majority of people live in the city centre and traffic congestion is a problem. However, there are many auto rickshaws (a small, three-wheeled vehicle, driven by a motorcycle engine) competing in the city centre to take passengers to their destinations. Fares tend to be cheaper in the city centre than they are outside the city centre and are usually agreed between passengers and drivers.

Question 2(h)

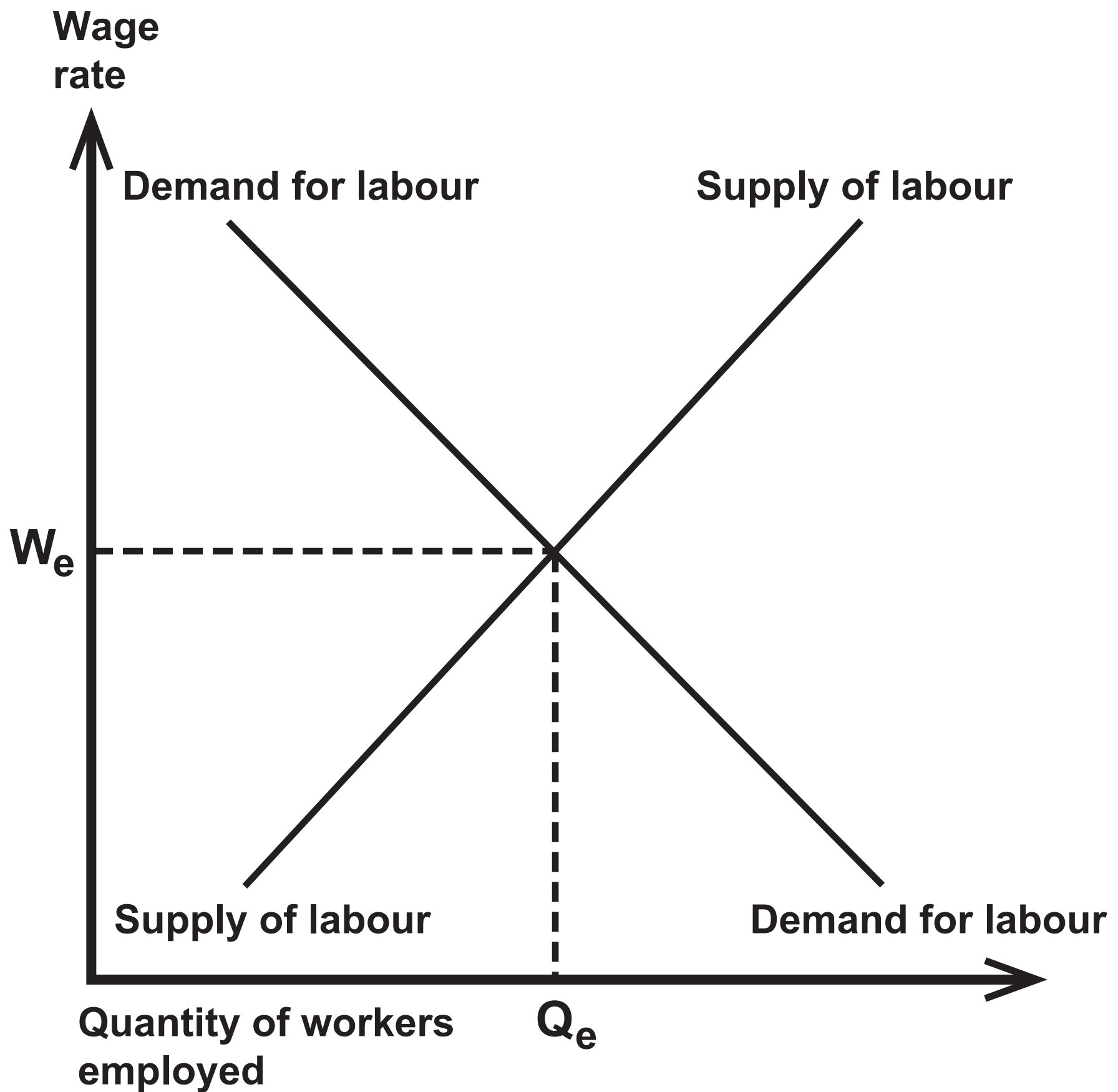
A lack of space in many busy cities means parking is an increasing problem. Japan has developed the first Automated Parking Systems (APS). These are car parks where the cars are automatically stacked. The driver takes the car to the entrance, then technology takes over, placing each car on racks, one above the other. This allows many cars to be parked in a very small area. Not only do they offer a more practical use of space than traditional multi-storey car parks, but they cost less to build. The drivers benefit from cheaper parking fees and they save time.

(Source: adapted from <http://japantravelmate.com/cool-japan/things-see-japans-automated-rotary-parking-systems>)

Question 3(c)



Question 3(c)



Question 3(d)

Firms in Canada, the world's second largest country, have been struggling to find the labour needed for specialist positions such as computer engineers and web designers. The 'Global Talent Stream' is a government programme that provides firms with a quick way to hire highly skilled foreign workers. High costs and long time commitments often stop Canadians from training. Although a processing fee is payable for each new employee, firms have welcomed the programme.

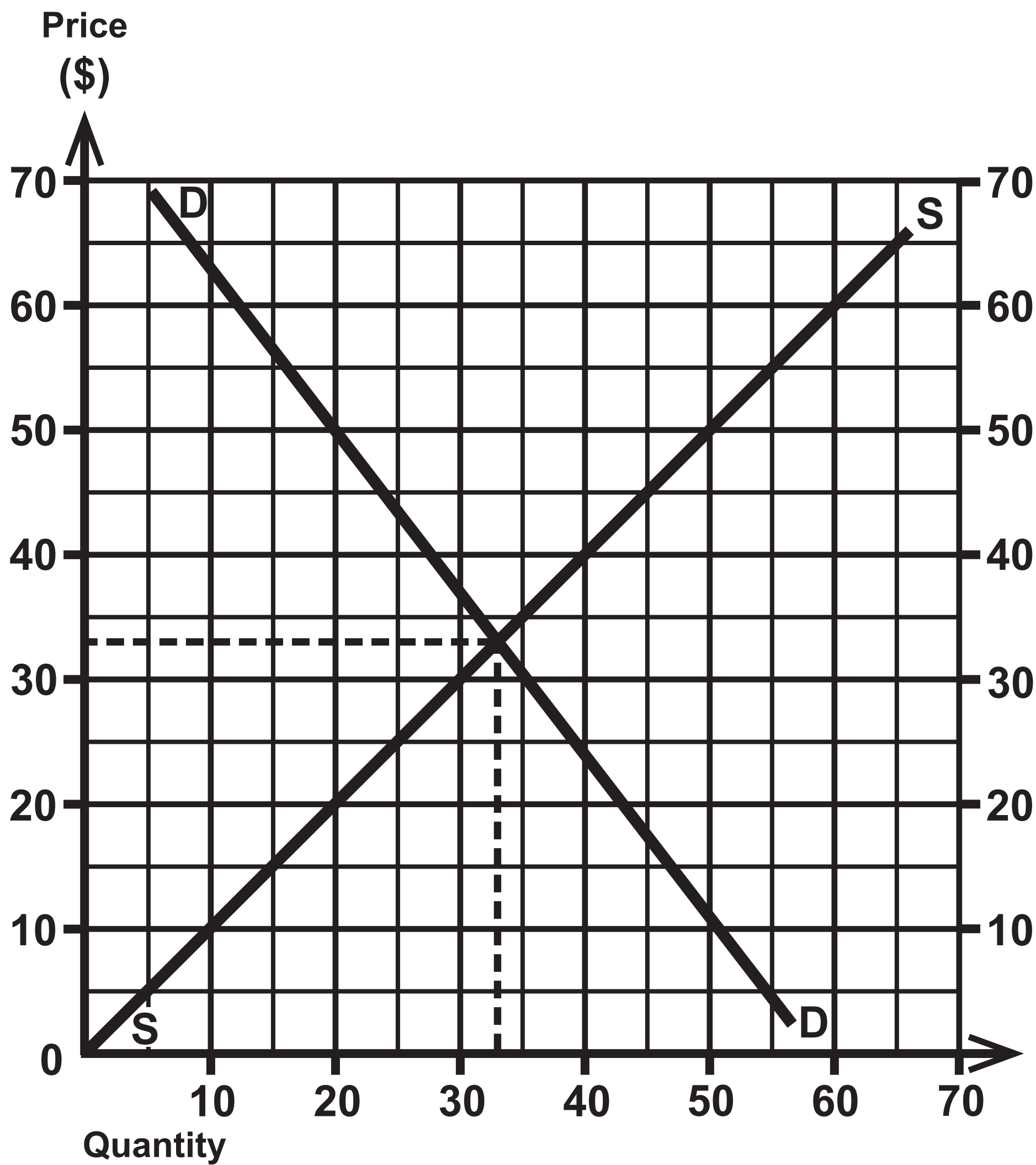
(Source: adapted from <http://www.canada.ca/en/employment-socialdevelopment/>)

Question 3(e)

Productivity is a measure of how efficiently goods and services are produced and is the single most important determinant of a country's per capita income. Canada's labour productivity growth has been lower than that of other leading economies for many decades, reducing its international competitiveness. Since 2011 however, Canada's labour productivity has greatly improved and it is now the 3rd most productive of the 16 leading economies.

(Source: adapted from <http://www.conferenceboard.ca/hcp/>)

Question 4

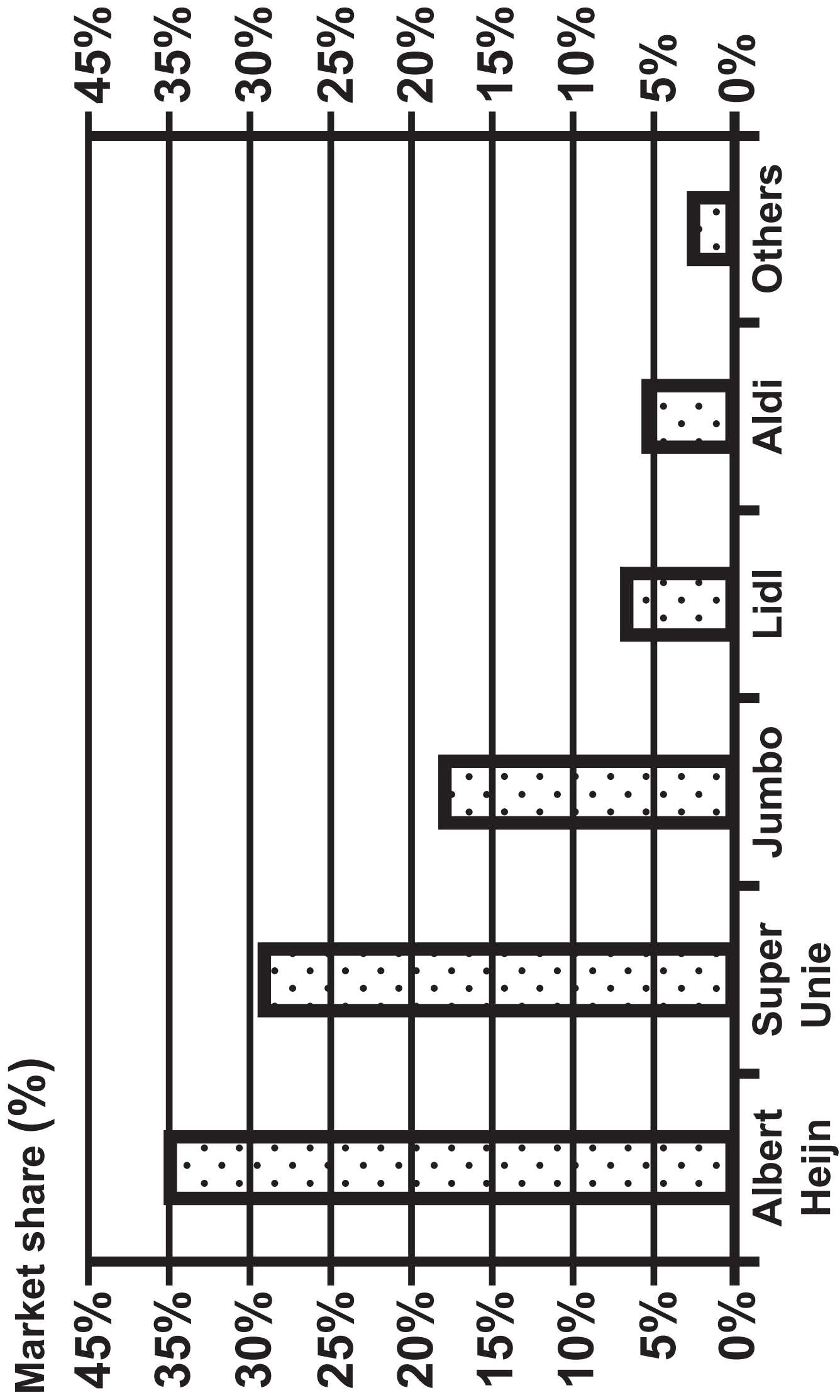


Question 4(b)**Competition and Markets Authority warns online sellers about collusion**

The Competition and Markets Authority (CMA) is a UK government department that aims to increase competition. It has reminded online sellers of electrical equipment that collusion is illegal and can result in serious penalties. The CMA stated that buying electrical equipment online, such as laptops and games consoles, means consumers can search a wide range of deals from many different sellers. However, it also stated that collusion is a threat.

(Source: adapted from © Crown Copyright)

Question 4(c)



Supermarkets in the Netherlands