

Paper Reference 4EC1/02
Pearson Edexcel
International GCSE

Economics

Level 1/2

PAPER 2: Macroeconomics and the Global Economy

Data Booklet

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 BOOKLET **MUST BE RETURNED WITH
THE QUESTION PAPER AT THE END OF THE
EXAMINATION.**

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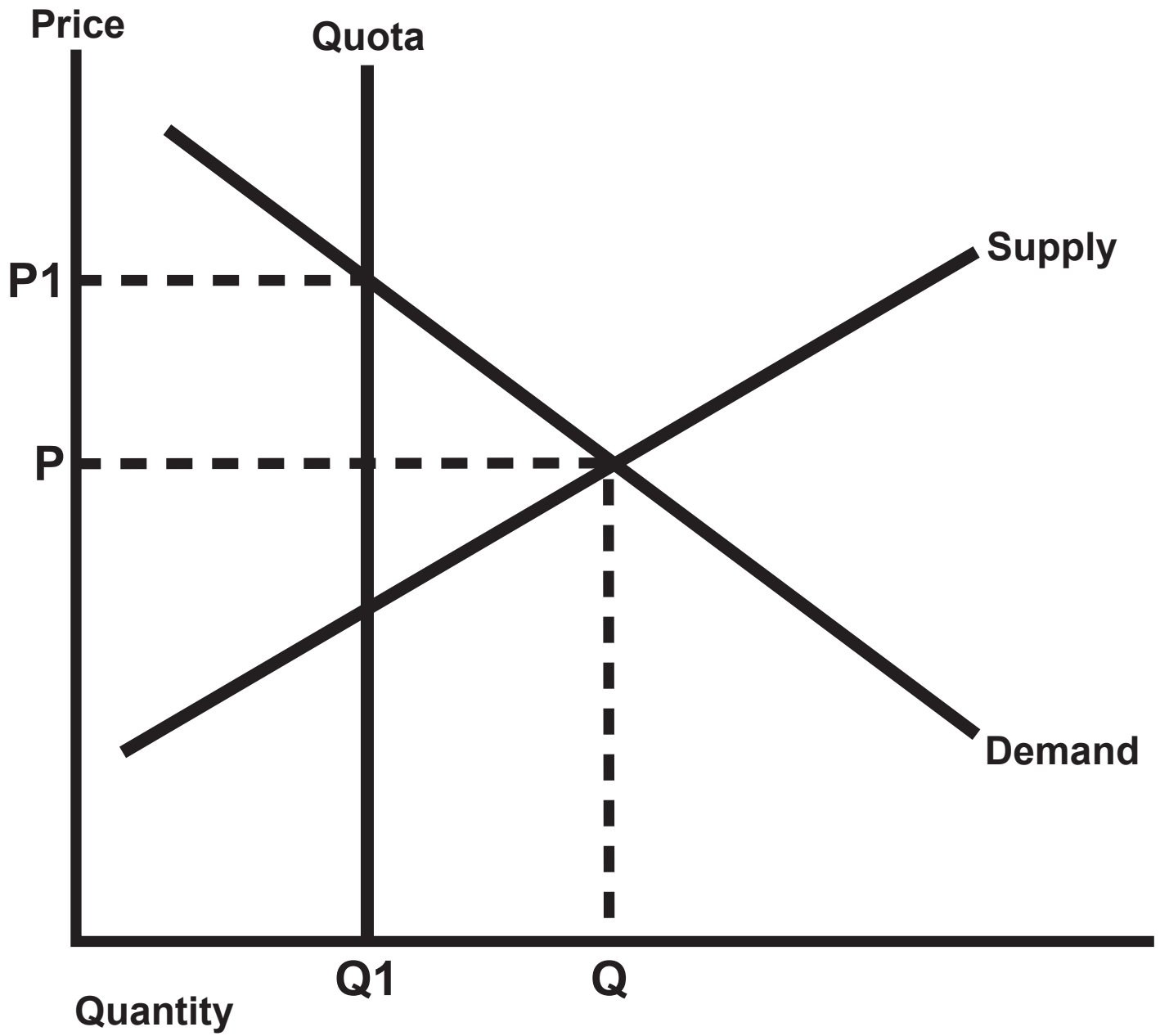
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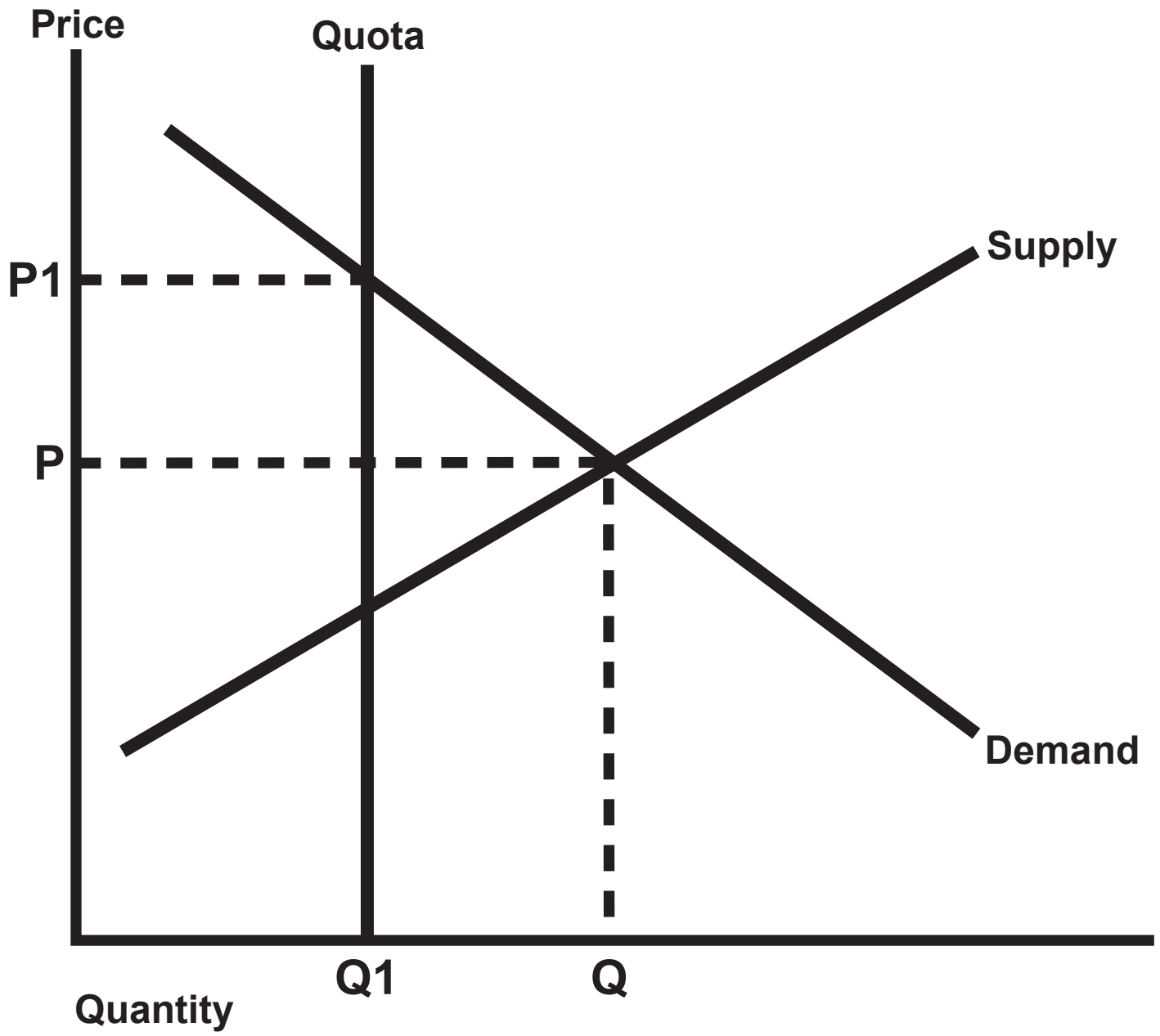
Question 1(e)

	£ billion
Imports	689·9
Exports	646·7
Total UK trade	1 336·6

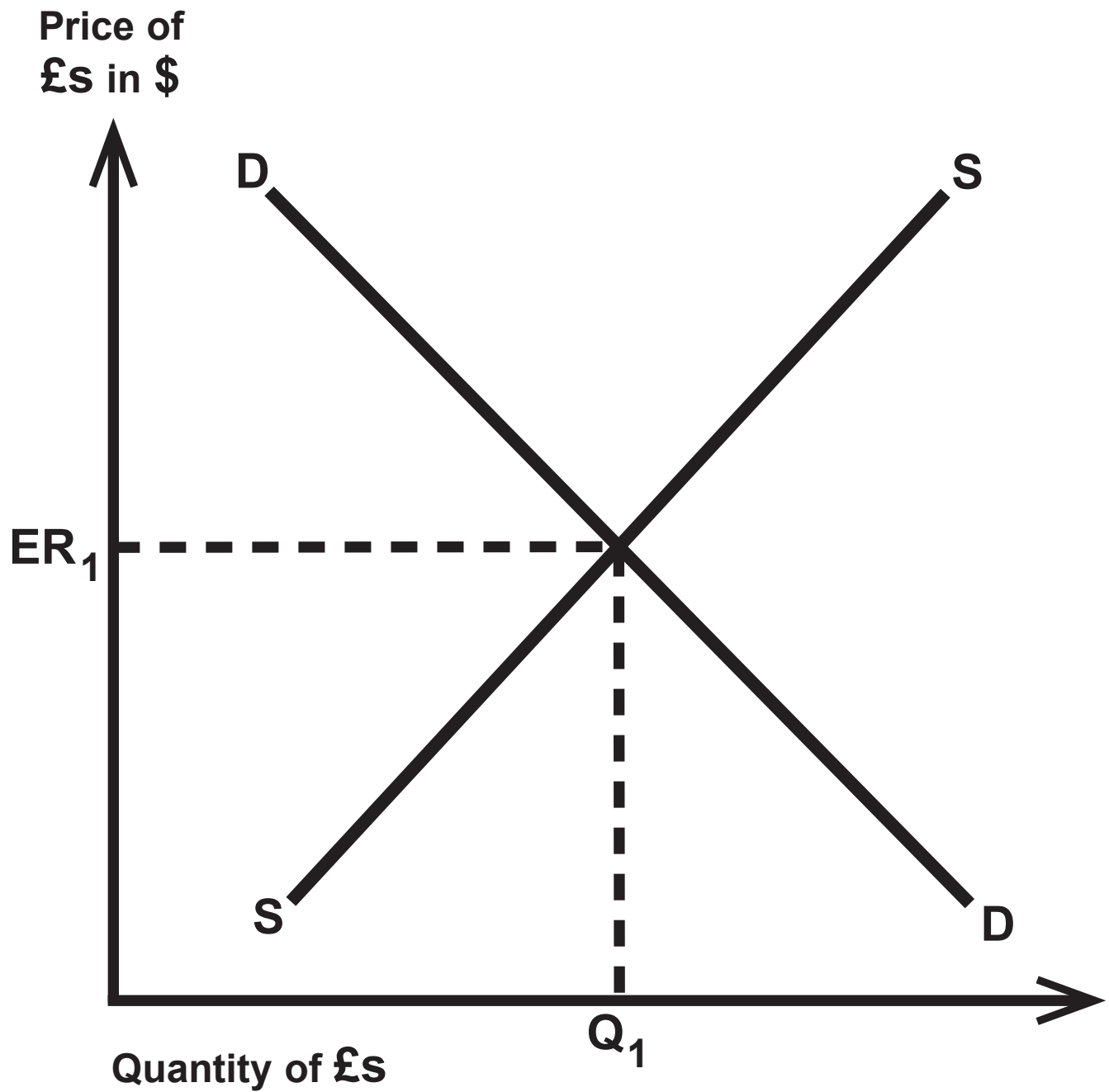
Question 1(f)



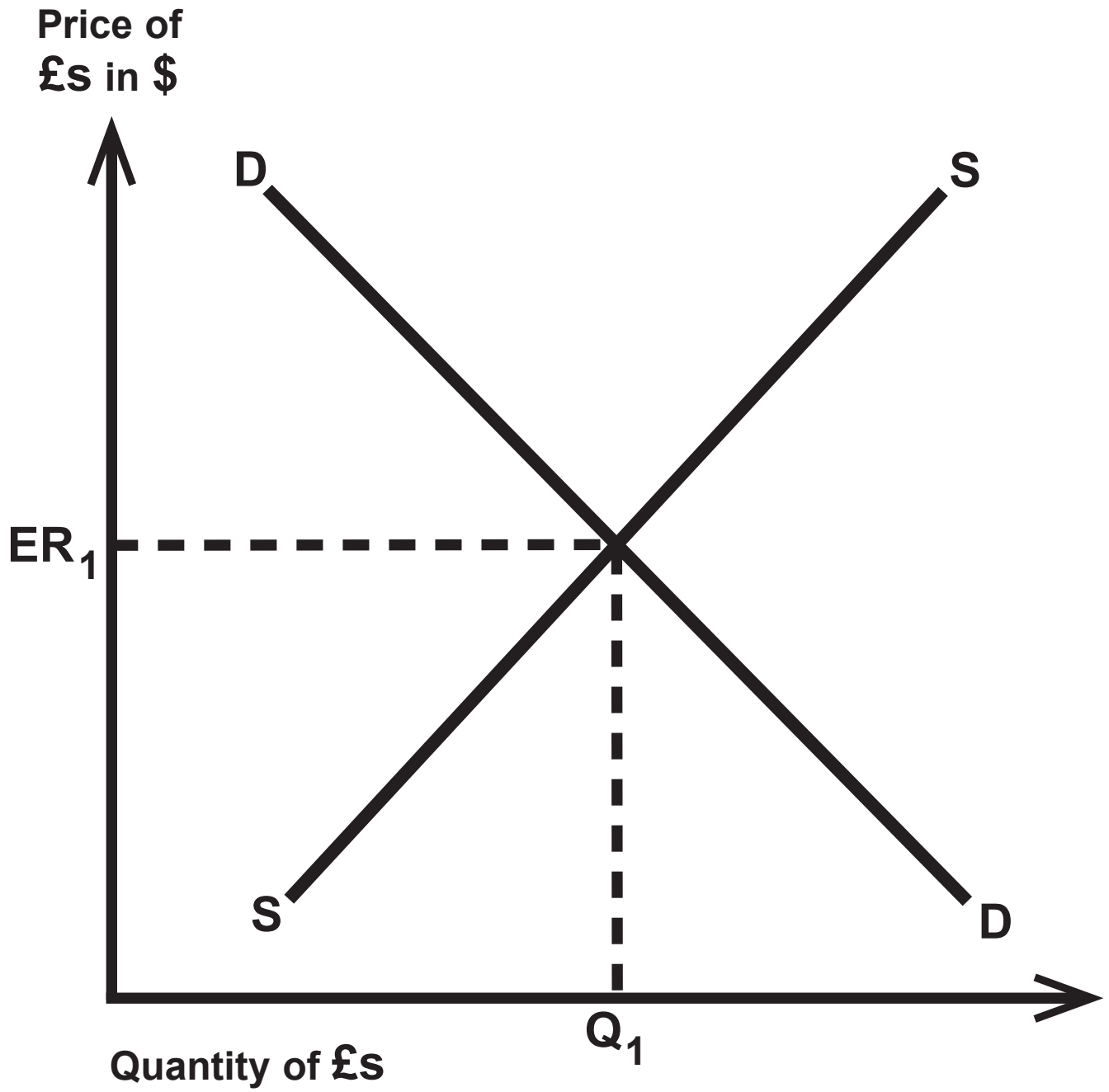
Question 1(f)



Question 2(f)



Question 2(f)



Question 2(g)

After nearly **20** years of negotiations, the European Union (EU) and Mercosur, the South American trading bloc, have agreed a draft trade deal. It would create the largest free trade area in the world consisting of **770** million people. The two blocs currently trade more than **€88** billion in goods and **€34** billion in services every year.

The EU would eventually end **92%** of the tariffs on Mercosur imports. Mercosur would gradually remove its tariffs on **91%** of EU goods, which amounts to **€4** billion. This includes removing the tariffs on clothing, chemicals, wine and canned peaches. Mercosur farmers would be allowed to export a specific quantity of beef, sugar and chicken at a lower tariff rate to the EU each year.

Question 3(e)

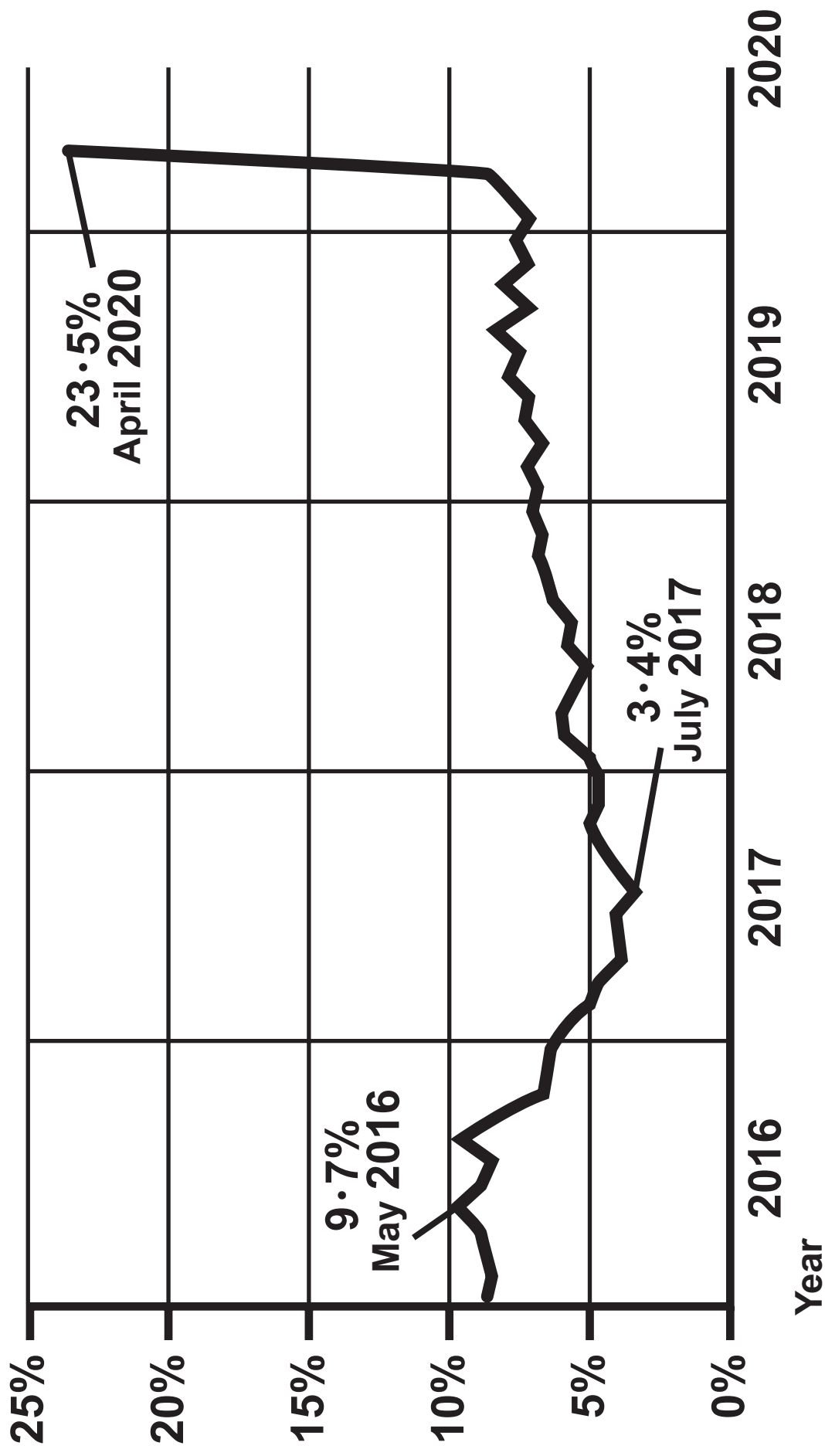
More than **125** million tonnes of poisonous gases pollute the US state of Colorado's air every year. US Government records show that **46** million tonnes, or **36%** of the total air pollution, comes from **119** large industrial polluters. These include **35** power stations. More than half the electricity in Colorado is still generated from burning coal despite **10** years of government efforts to encourage producers to switch to clean energy.

Question 4(a)

Existing infrastructure projects	\$billion
Renewable energy	200
Railways	147
Roads and highways	109
Metro rail	109
Smart cities	32
Airports and ports	21
Total	618

Question 4(b)

Percentage rate (%) of unemployment



Question 4(c)

The growth of India's gross domestic product (GDP) slowed to 4·5% in the quarter ending September 2019, the lowest point for 6 years. The fiscal deficit was 3·4% of GDP and was estimated to increase to 3·7% by 2020. This came at a time when the Prime Minister, Narendra Modi, announced plans to spend \$1·5 trillion on infrastructure. The expenditure on these projects is expected to be 1·1% of GDP by 2025.

“Building new roads, rail links, airports and other social and economic infrastructure such as smart cities is essential for attracting investments and making India a \$5 trillion economy,” said Finance Minister Nirmala Sitharaman.

This spending on infrastructure will be a huge opportunity for Indian construction, road and cement companies such as GMR Group, Dilip Buildcon and Ultratech. Domestic steel prices are predicted to increase due to the higher demand from infrastructure projects.

Sources

Question 1(e)

(Source: Department for International Trade: UK Trade in Numbers September 2019)

Question 2(g)

(Source: <https://www.dw.com/en/eu-mercosur-free-trade-deal-what-you-need-to-know/a-49414103>)

Question 4(a)

(Source adapted from: <https://www.businessinsider.in/Nearly-half-of-Narendra-Modis-1-4-trillion-new-infrastructure-promise-may-be-already-approved-projects/Existing-promises/slideshow/68795905.cms>)

Question 4(b)

(Source adapted from: <https://www.statista.com/chart/20014/unemployment-rate-india/>)

Question 4(c)

Source adapted from: <https://www.bloomberg.com/news/articles/2019-12-31/india-plans-1-5-trillion-infrastructure-spending-to-spur-growth>