



General Certificate of Secondary Education
2015

Centre Number

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Candidate Number

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Economics

Paper 2

[G9272]

THURSDAY 4 JUNE, AFTERNOON



G9272

TIME

1 hour 45 minutes.

INSTRUCTIONS TO CANDIDATES

You should answer all questions in the spaces provided in this question and answer booklet. If you do not have enough space to complete your answer, extra lined pages are provided at the back of the booklet.

Answer **all** questions in **Section A**.

Answer **both** questions in **Section B**.

Answer **one** question from questions **6, 7, 8 and 9** in **Section C**.

INFORMATION FOR CANDIDATES

The total mark for this paper is 90.

Your quality of written communication will be taken into account in assessing your answers to **all parts** of the question you choose to answer from **Section C**.

ADVICE TO CANDIDATES

You should take into account the maximum marks available when deciding how much time to spend on each question.

For Examiner's
use only

Question Number	Marks
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Section A

1

2

3

Section B

4

5

Section C

Total Marks	
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[2]

[2]

[2]

Examiner Only	
Marks	Remarks

[2]

1. _____

_____ [2]

2. _____

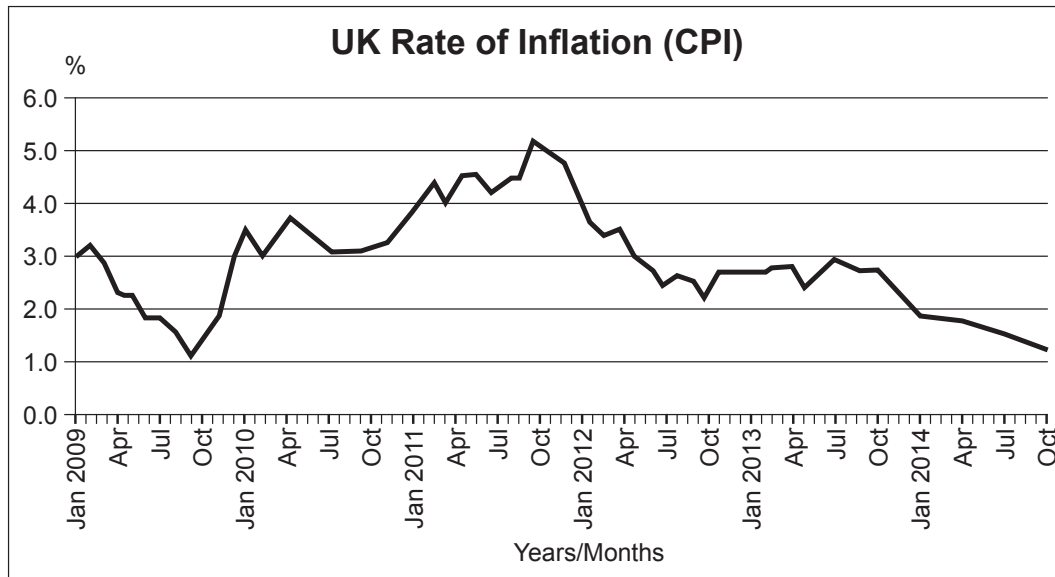
_____ [2]

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Section B

Answer **both** questions in this section.

- 4 Study the information below and answer the questions that follow.



In October 2014, the Office for National Statistics (ONS) said that the Consumer Prices Index (CPI) measure of inflation had fallen to 1.3 per cent. By the end of 2014, average earnings, excluding bonuses rose to 1.4 per cent. This was the first time in six years that the growth in earnings was above the rate of inflation.

The government has introduced the Funding for Lending and Help to Buy Schemes to encourage banks to increase their lending to businesses and households.

- (a) What is meant by “inflation”?

[3]

Examiner Only	
Marks	Remark

[4]

[4]

- (c)** Explain why prices rising faster than wages can cause problems for the economy.

[5]

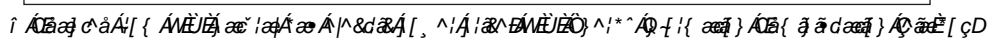
[5]

Examiner Only	
Marks	Remark

[4]

[4]

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© Adapted from "George Osborne unveils 'most generous tax breaks in world' for fracking",
by Terry Macalister and Fiona Harvey, *The Guardian*, 19 July 2013

Examiner Only	
Marks	Remark

- (a) Describe how the price of natural gas in the USA changed between 2004 and 2014.

 [4]

- (b) Use a demand and supply diagram to show how this new production process could affect the equilibrium (market) price and quantity of natural gas. Label your diagram carefully.



 [4]

Examiner Only	
Marks	Remark

[2]

[2]

1. _____
- _____
- _____ [2]

2. _____
- _____
- _____ [2]

1. _____

_____ [2]

2. _____
- _____
- [2]

Examiner Only	
Marks	Remark

[illegible]9386

[e]

[6]

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[illegible]

[Turn over

[illegible]9386

(a) Explain what is meant by the EU.

[e]

[Turn over

[illegible]

Examiner Only	
Marks	Remark

(a) Explain what is meant by a developing country.

[e]

[6]

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[illegible]

Examiner Only	
Marks	Remark

[illegible]

Examiner Only	
Marks	Remarks

[illegible]

Examiner Only	
Marks	Remarks

[illegible]

[illegible]

Examiner Only	
Marks	Remarks

Continuation page (Use this page if you need extra space to complete your answers.)

[illegible]

Examiner Only	
Marks	Remarks

THIS IS THE END OF THE QUESTION PAPER

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