



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
International General Certificate of Secondary Education

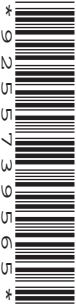
CANDIDATE
NAME

CENTRE
NUMBER

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CANDIDATE
NUMBER

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ECONOMICS

0455/31

Paper 3 Analysis and Critical Evaluation

October/November 2011

1 hour 30 minutes

Candidates answer on the Question Paper.
Additional Materials: Insert.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

You may use a soft pencil for any diagrams, graphs or rough working.

Do not use staples, paper clips, highlighters, glue or correction fluid.

DO NOT WRITE IN ANY BARCODES.

Answer **all** questions.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [] at the end of each question or part question.

For Examiner's Use	
1	
2	
Total	

This document consists of **8** printed pages and **1** Insert.



The extract 'The Brain Drain' will be needed for this question.

For
Examiner's
Use

1 (a) What is meant by a 'brain gain'?

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(b) Explain **two** possible reasons why, in the future, Ghanaian doctors may choose to work in Ghana.

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(c) (i) Using the extract identify:

- a private benefit of education

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.....[1]

- an external benefit of education.

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(ii) Explain **two** policies a government could use to encourage more people to enter higher education.

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The extract '**Microfinance**' will be needed for this question.

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Use*

2 (a) Identify, from the extract, **three** motives for borrowing.

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(b) (i) Explain what is meant by poverty.

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(ii) Apart from the difficulty of borrowing, explain **one** other disadvantage the extract suggests the poor experience.

For
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Use

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(c) (i) State **two** reasons why a conventional commercial bank may be reluctant to lend to the poor.

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- (ii) Using a demand and supply diagram, show the effect of increasing loans to poor entrepreneurs on the market for basic, inexpensive capital goods such as sewing machines.

*For
Examiner's
Use*

[3]

- (d) (i) What is meant by entrepreneurial skills?

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[2]

Question 2(d)(ii) is on the next page

