



ECONOMICS (PRINCIPAL)

Paper 2 Essays

9772/02

May/June 2016

2 hours 15 minutes

Additional Materials: Answer Booklet/Paper



READ THESE INSTRUCTIONS FIRST

If you have been given an Answer Booklet, follow the instructions on the front cover of the Booklet.

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 an HB pencil for any diagrams or graphs.

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

DO NOT WRITE IN ANY BARCODES.

Answer **three** questions. **One** must be chosen from Section A and **one** from Section B. The third question can be chosen from either section.

You are advised to spend 5 minutes planning each answer and no more than 40 minutes writing each essay.

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.

The syllabus is approved for use in England, Wales and Northern Ireland as a Cambridge International Level 3 Pre-U Certificate.

This document consists of **2** printed pages.

Answer **three** questions. **One** must be chosen from Section A and **one** from Section B. The third question can be chosen from either section.

Section A

- 1 Evaluate whether large firms are necessarily more efficient than small firms. [25]
- 2 Evaluate the case for the government providing free access for all to museums and art galleries. [25]
- 3 A national minimum wage is self-defeating: it does nothing to reduce poverty, it increases unemployment and thus damages the very group of people it is designed to help.
Evaluate this statement. [25]

Section B

- 4 With specific reference to more economically developed countries (MEDCs), evaluate the view that governments should pay more attention to reducing income inequality and worry less about the pursuit of economic growth. [25]
- 5 Evaluate whether supply-side policies alone should be used to reduce unemployment. [25]
- 6 Over a twenty-year period, a country has run an increasingly large balance of payments current account deficit. Evaluate the different approaches that could be taken to address this issue. [25]

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced online in the Cambridge International Examinations Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at www.cie.org.uk after the live examination series.

Cambridge International Examinations is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.