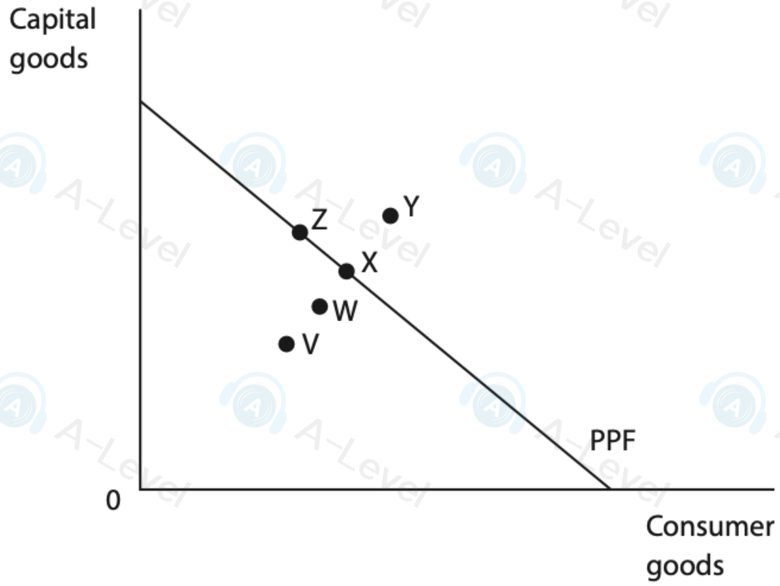
DO NOT WRITE IN THIS AREA

6 The diagram shows the production possibility frontier (PPF) for a small country.



Which **one** of the following can be deduced from the diagram?

☒ **A** The movement from Z to Y is obtainable using currently available resources

☒ **B** The movement from Z to X has an opportunity cost in terms of consumer goods

☒ **C** The movement from V to W results in a decrease in unemployment

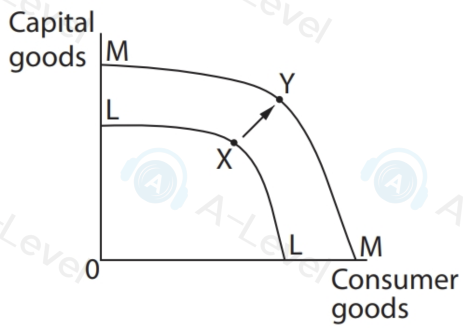
☒ **D** The movement from X to W results in an increase in efficiency

(Total for Question 6 = 1 mark)

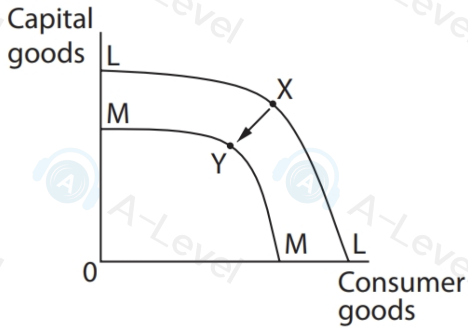
3 In April 2015 an earthquake in Nepal killed 8 000 people. Assume the economy was operating efficiently at full employment.

Which **one** of the following diagrams best illustrates the impact of the earthquake on Nepal's economy assuming it continued to operate at full employment?

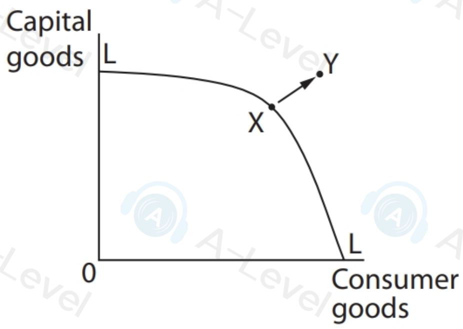
☒ **A**



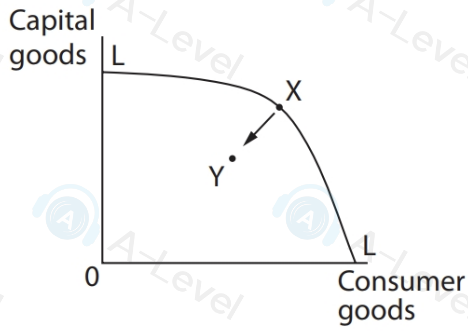
☒ **B**



☒ **C**

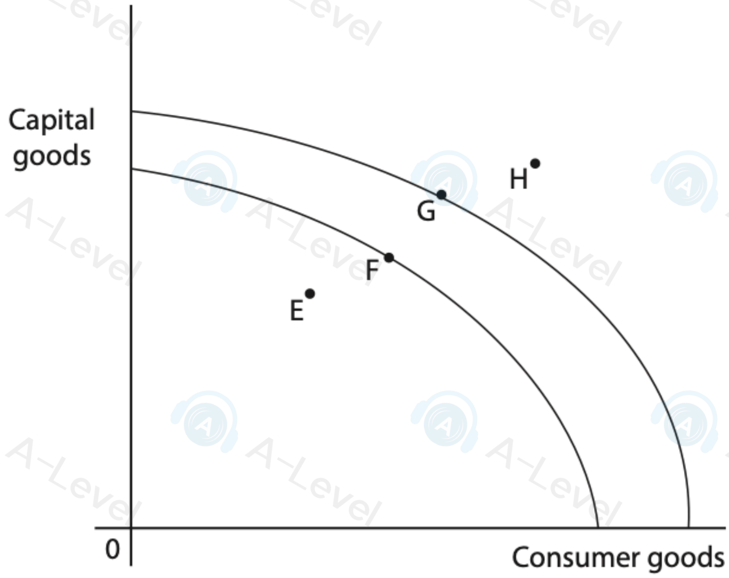


☒ **D**



(Total for Question 3 = 1 mark)

5 The diagram shows two production possibility frontiers (PPFs) for an economy.



Which **one** of the following can be deduced from this diagram?

A A movement from Point E to Point F indicates an increase in unemployment

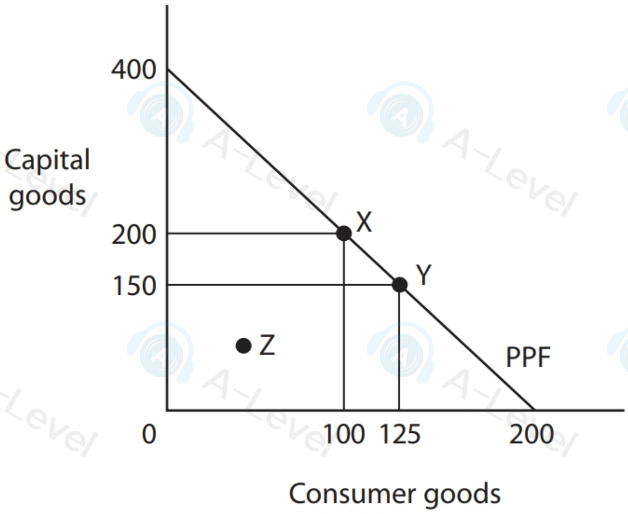
B A movement from Point G to Point F indicates that more consumer goods would be produced

C A movement from Point F to Point G indicates economic growth

D A movement from Point G to Point H indicates that resources are not being used efficiently

(Total for Question 5 = 1 mark)

4 The diagram shows the production possibility frontier for an economy currently operating at point X.



Which **one** of the following can be deduced from the diagram?

- ☒ **A** Point Z is unobtainable when using all available resources
- ☒ **B** Point Y would generate higher economic growth than point X
- ☒ **C** The movement from point X to point Y has an opportunity cost of 50 capital goods
- ☒ **D** The movement from point X to point Y has an opportunity cost of 25 consumer goods

(Total for Question 4 = 1 mark)

5 The table shows the percentage of electricity generated by different sources for Portugal in 2016.

	%
Coal	22
Gas	22
Hydro	24
Oil	2
Solar	2
Wind	22
Other renewable	6

(Source: https://www.iea.org/countries/Portugal/)

Which **one** of the following can be deduced from the table?

☒ **A** Portugal generated 44% of its electricity from non-renewable sources

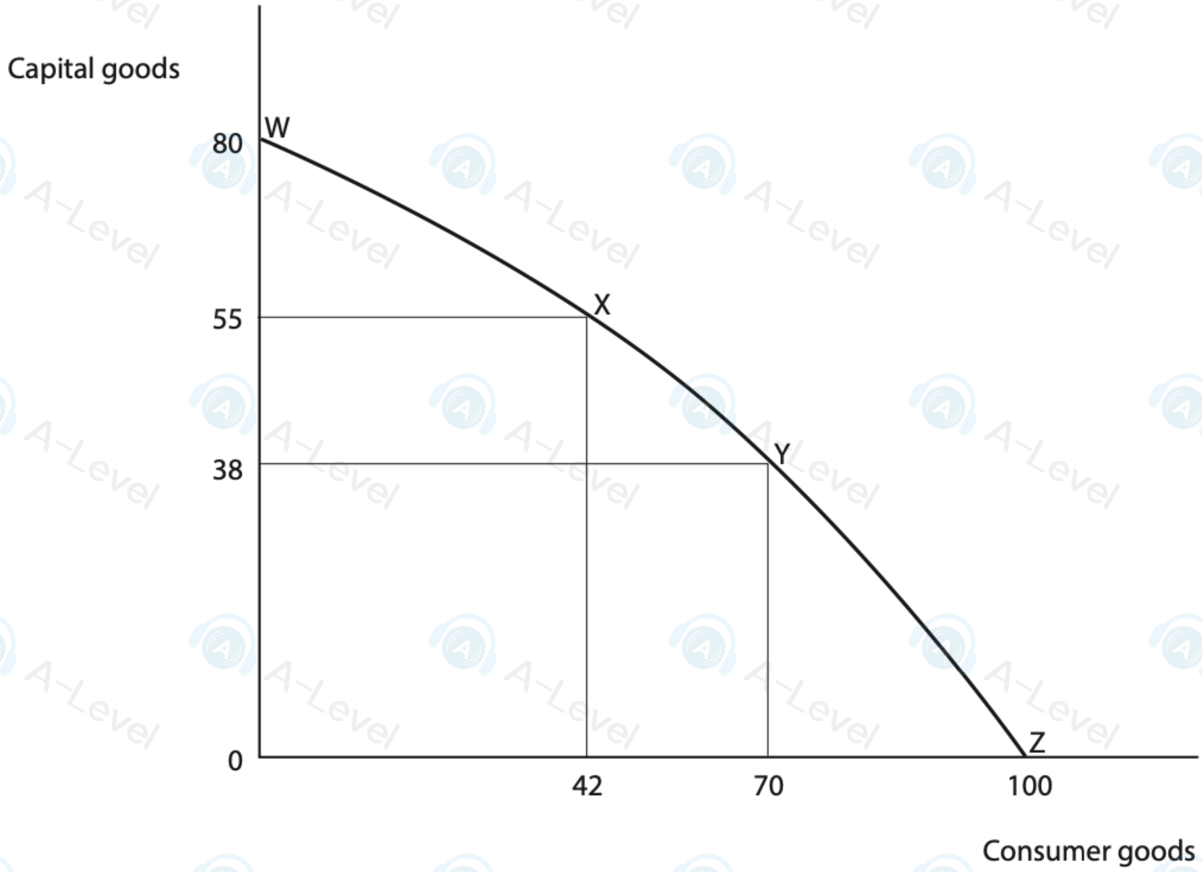
☒ **B** Portugal generated 50% of its electricity from renewable sources

☒ **C** Portugal generated most of its electricity from renewable sources

☒ **D** Portugal generated most of its electricity from non-renewable sources

(Total for Question 5 = 1 mark)

4 The diagram shows the production possibilities for an economy.



Which **one** of the following can be deduced from the diagram?

☒ **A** The movement from W to X has an opportunity cost of 42 consumer goods

☒ **B** The movement from Y to Z has an opportunity cost of 30 consumer goods

☒ **C** The movement from X to Y has an opportunity cost of 17 capital goods

☒ **D** The movement from Y to X has an opportunity cost of 28 capital goods

(Total for Question 4 = 1 mark)

7 In 2018 there were 1.59 million immigrants arriving in Germany and 1.19 million emigrants leaving Germany.

Draw a diagram to illustrate the likely impact of this population change on Germany's production possibility frontier.

Include an arrow to show the direction of the shift.

8 Between 2018 and 2019 investment expenditure on capital goods in China fell from 47% of GDP to 43% of GDP. Over the same period, consumer expenditure increased from 38.7% of GDP to 38.8% of GDP.

With reference to China, explain the difference between 'capital goods' and 'consumer goods'.

11 Lithuania's population decreased from 3.7 million in 1989 to 2.9 million in 2015.

Ceteris paribus, explain the likely impact of this change in population on Lithuania's production possibility frontier (PPF).

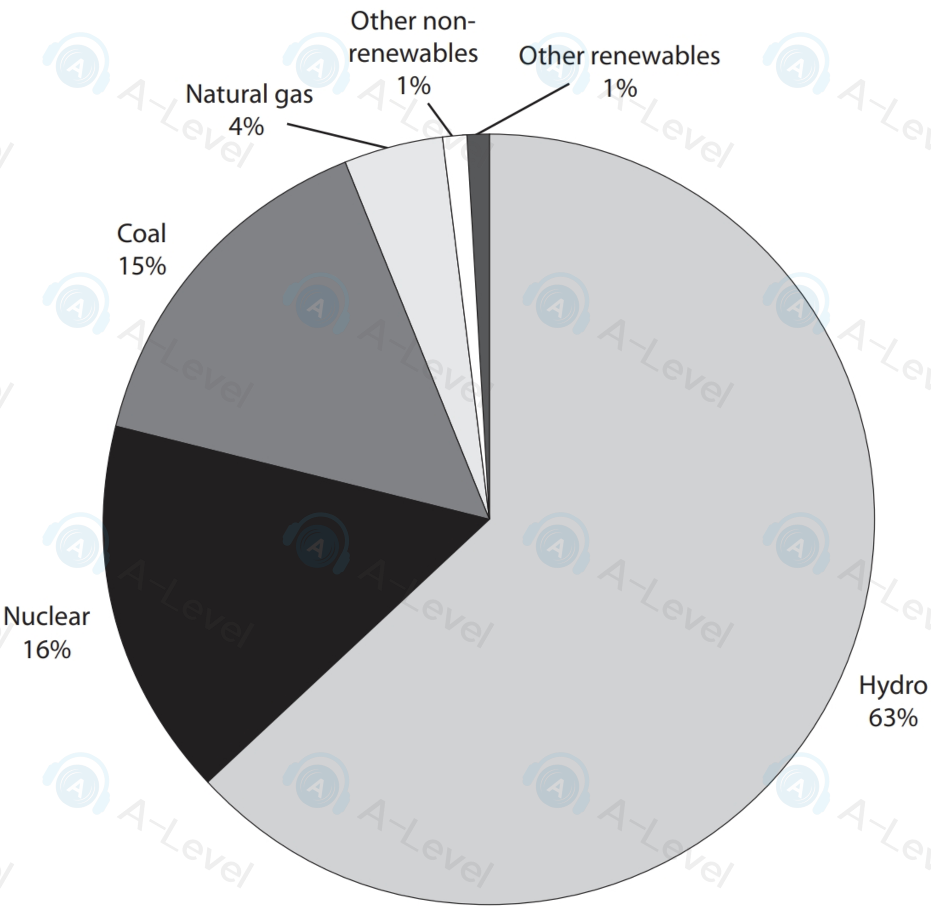
Illustrate your answer with a diagram.

11 In 2023 there were 999 700 more immigrants who entered the USA than emigrants who left the country.

Explain the likely impact on the USA's production possibility frontier (PPF) of this change in migration.

Illustrate your answer with a fully labelled PPF diagram.

8 The chart shows how Canada's total electricity supply was generated from different resources in 2015.



(Source: http://www.theenergycollective.com/jarretadams1/2292773/canada-working-toward-decarbonizing-its-grid)

With reference to Canada's electricity generation, explain the difference between 'renewable resources' and 'non-renewable resources'.