1 **Statement 1**: The consumption of single-use plastic bags in Switzerland decreased by 80% after the Government introduced a tax on them.

Statement 2: Shops should be forced to charge consumers for single-use plastic bags to reduce the amount of plastic waste.

Which **one** of the following best describes the two statements?

- ☒ **A** Both statements are positive
- ☒ **B** Statement 1 is positive and statement 2 is normative
- ☒ **C** Both statements are normative
- ☒ **D** Statement 1 is normative and statement 2 is positive

(Total for Question 1 = 1 mark)

DO NOT WRITE IN THIS AREA

1 **Statement 1**: In 2017 the Kenyan Government spent Sh172.5 billion on healthcare. This is 8% of its annual budget.

Statement 2: The African Union believes African countries should spend 15% of their annual budgets on healthcare.

Which **one** of the following best describes the two statements above?

- ☒ **A** Both statements are positive
- ☒ **B** Statement 1 is positive and statement 2 is normative
- ☒ **C** Both statements are normative
- ☒ **D** Statement 1 is normative and statement 2 is positive

(Total for Question 1 = 1 mark)

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DO NOT WRITE IN THIS AREA

9 Lake Poopó in Bolivia used to provide the local community with water to irrigate the quinoa fields. By 2017 there had been a 98% reduction in the size of the lake. The community could no longer use the lake for irrigation.

Explain whether Lake Poopó is a free good or an economic good.

8 **Statement 1:** Producers of renewable energy received subsidies of $140 billion globally in 2016. Producers of non-renewable energy received subsidies of $260 billion.

Statement 2: Subsidies for renewable energy should be increased and subsidies for non-renewable energy should be decreased.

With reference to Statement 1 and Statement 2, explain the difference between positive statements and normative statements.

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9 **Statement 1**: "Between 2009 and 2019 extreme weather events and climate-related disasters cost the world economy $1.5 trillion." World Meteorological Organization.

Statement 2: "80% of those surveyed think polluters should pay for their pollution through additional taxes." Survey for the World Economic Forum.

With reference to both statements, explain the difference between normative statements and positive statements.

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8 In 1960 Lake Chad in Central Africa was large enough to provide the local farmers with water to irrigate their crops. However, by 2017 there had been a 90% reduction in the size of the lake. The farmers could no longer use water from the lake for irrigation.

With reference to Lake Chad, explain the difference between a free good and an economic good.

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