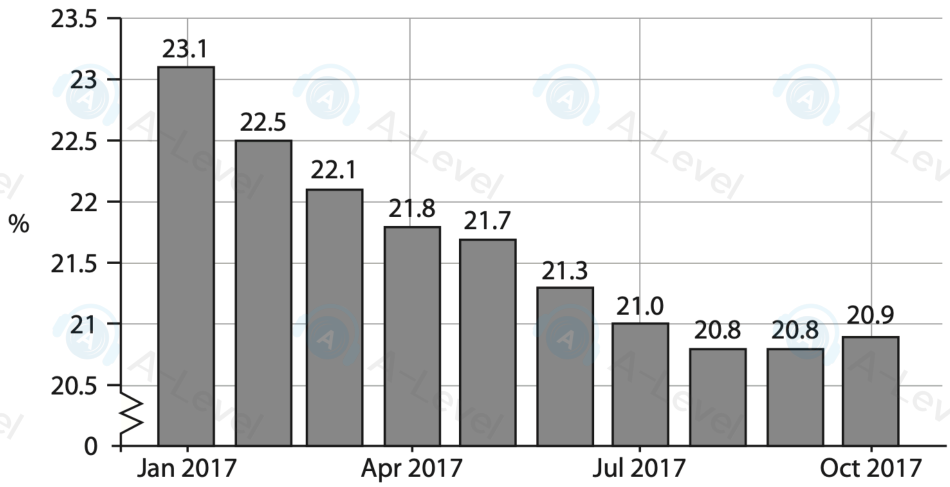
6 The chart shows the ILO unemployment rate for Greece between January 2017 and October 2017.



(Source: https://tradingeconomics.com/greece/unemployment-rate)

Which **one** of the following is the percentage change in the unemployment rate for Greece between January 2017 and October 2017?

☒ **A** −2.2

☒ **B** −9.52

☒ **C** −10.53

☒ **D** −10.7

(Total for Question 6 = 1 mark)

2 The table shows the number of people in employment in Jordan.

	Number of people in employment
January 2017	10 279 000
January 2018	9 353 000

(Source: https://tradingeconomics.com/jordan/employed-persons)

What is the percentage change in the number of people in employment between January 2017 and January 2018?

☒ **A** −10%

☒ **B** −9%

☒ **C** 9%

☒ **D** 10%

(Total for Question 2 = 1 mark)

DO NOT WRITE IN THIS AREA

2 Brazil's annual rate of inflation between April 2019 and August 2019 is shown in the table.

Month	Rate of inflation (%)
April	4.94
May	4.66
June	3.37
July	3.22
August	3.43

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

☒ **A** There was deflation between April and July

☒ **B** The average price level was highest in April

☒ **C** There was disinflation between April and July

☒ **D** The rate of inflation was lowest in August

(Total for Question 2 = 1 mark)

1 800 000 students graduated from universities in the UK in 2019. 380 000 of these started work in jobs that did not require a degree.

Which **one** of the following describes this situation?

☒ **A** Underemployment

☒ **B** Unemployment

☒ **C** Real wage inflexibility

☒ **D** Economic inactivity

(Total for Question 1 = 1 mark)

1 The table shows the real GDP growth rate and the unemployment rate for the USA for Quarter 1 and Quarter 2 in 2020.

	Real GDP growth rate (%)	**Unemployment rate (%)**
Q1 2020	–5.0	3.9
Q2 2020	–31.4	13.1

Which **one** of the following is most likely to have caused the **increase** in the unemployment rate between Q1 2020 and Q2 2020?

☒ **A** Real wage unemployment

☒ **B** Demand deficient unemployment

☒ **C** Structural unemployment

☒ **D** Seasonal unemployment

(Total for Question 1 = 1 mark)

3 In 2022 Bahrain's GDP was $44 billion and its population was 1.5 million.

Which **one** of the following is the GDP per capita for Bahrain in 2022?

☒ **A** $29.33

☒ **B** $66.00

☒ **C** $29 333.33

☒ **D** $66 000.00

(Total for Question 3 = 1 mark)

5 In Austria investment was $98 billion in 2012 and it increased to $129 billion in 2022.

Which **one** of the following is most likely to have caused this increase in investment?

☒ **A** An increase in the availability of credit

☒ **B** An increase in the rate of tax on company profits

☒ **C** An increase in the base rate of interest

☒ **D** An increase in commodity prices

(Total for Question 5 = 1 mark)

5 The unemployment rate in Sri Lanka increased from 5.2% in 2021 to 6.7% in 2022.

Which **one** of the following is the most likely effect of this increase in the unemployment rate?

☒ **A** An increase in national happiness in Sri Lanka

☒ **B** An increase in the level of profits for firms in Sri Lanka

☒ **C** A decrease in tax revenues for Sri Lanka's Government

☒ **D** A decrease in welfare payments by Sri Lanka's Government

(Total for Question 5 = 1 mark)

3 In Indonesia it is estimated that approximately 27% of part-time workers are employed for fewer hours than they would be willing to work.

Which **one** of the following may be deduced from this information?

☒ **A** There is a high level of underemployment in Indonesia

☒ **B** There is a high level of economic inactivity in Indonesia

☒ **C** There is a high rate of unemployment in Indonesia

☒ **D** There is a high rate of inflation in Indonesia

(Total for Question 3 = 1 mark)

5 The ILO unemployment rate in Spain fell from 21% in 2014 to less than 15% in 2018.

Which **one** of the following is most likely to be associated with this change in Spain's unemployment rate?

☒ **A** A fall in the negative output gap

☒ **B** A rise in the level of welfare payments

☒ **C** A fall in demand for exports

☒ **D** A rise in economic inactivity

(Total for Question 5 = 1 mark)

3 The Government of Saudi Arabia estimates that, in 2022, its spending will be $255 billion and its tax revenue will be $279 billion.

Ceteris paribus, which **one** of the following can be deduced from this information?

☒ **A** There will be a net withdrawal from the circular flow of income

☒ **B** There will be a net injection into the circular flow of income

☒ **C** There will be a balance of trade deficit

☒ **D** There will be a balance of trade surplus

(Total for Question 3 = 1 mark)

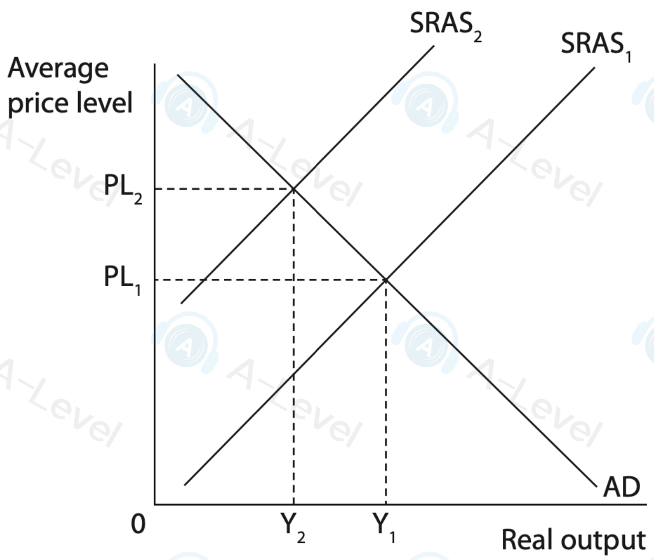
3 The value of Burundi's multiplier is estimated to be approximately 0.1.

Ceteris paribus, which **one** of the following would cause an increase in the value of a country's multiplier?

- ☒ **A** An increase in the marginal propensity to save
- ☒ **B** An increase in the marginal propensity to import
- ☒ **C** A decrease in the marginal propensity to tax
- ☒ **D** A decrease in the marginal propensity to consume

(Total for Question 3 = 1 mark)

6 The diagram shows the short-run aggregate supply curve and the aggregate demand curve for China's economy.



Which **one** of the following was the most likely cause of the change from $SRAS_1$ to $SRAS_2$?

- ☒ **A** An increase in energy prices
- ☒ **B** A decrease in indirect tax rates
- ☒ **C** An increase in investment in education
- ☒ **D** A decrease in bank lending to consumers

(Total for Question 6 = 1 mark)

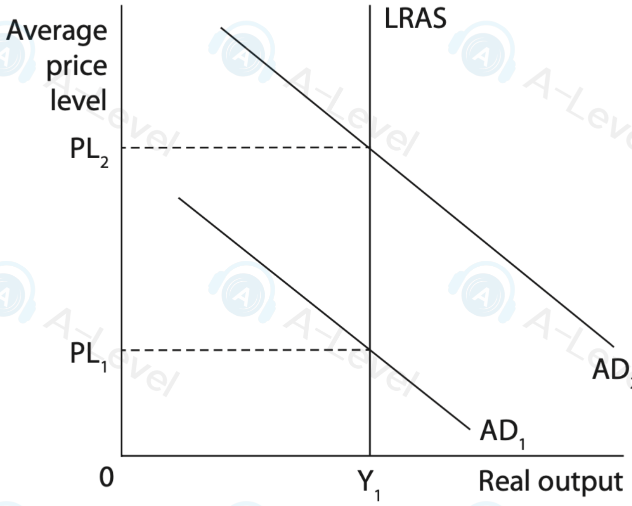
4 Which **one** of the following would cause a leftward shift in a country's short-run aggregate supply (SRAS) curve?

- ☒ **A** A decrease in bank lending to consumers
- ☒ **B** A decrease in the rate of indirect tax
- ☒ **C** An increase in the price of natural gas
- ☒ **D** An increase in investment in healthcare

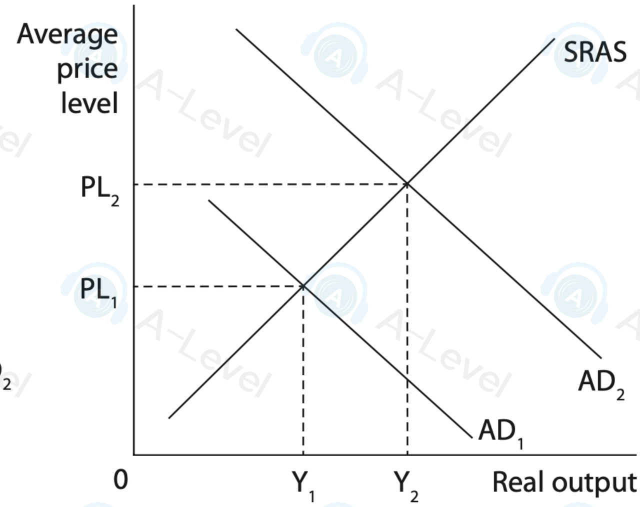
(Total for Question 4 = 1 mark)

1 Which **one** of the following aggregate demand and aggregate supply diagrams below illustrates an economy experiencing **potential** economic growth?

☒ **A**



☒ **B**



3 Between January 2022 and January 2023 Turkey's unemployment rate fell from 11.2% to 9.8%.

Which **one** of the following is the percentage change in the unemployment rate for Turkey between January 2022 and January 2023?

☒ **A** −1.4

☒ **B** −12.5

☒ **C** −14.3

☒ **D** −21.0

(Total for Question 3 = 1 mark)

4 In the USA the number of part-time workers who would prefer full-time employment was 4.3 million in 2019.

This is an example of which **one** of the following?

☒ **A** Frictional unemployment

☒ **B** Protectionism

☒ **C** Underemployment

☒ **D** Resource utilisation

(Total for Question 4 = 1 mark)

1 Which **one** of the following represents net investment?

☒ **A** Gross investment minus corporation tax

☒ **B** Gross investment minus capital depreciation

☒ **C** Gross investment minus the rate of inflation

☒ **D** Gross investment minus money supply

(Total for Question 1 = 1 mark)

13 In 2022 the Government of China decided to invest 1.48 trillion yuan in many new transportation, energy and telecommunication infrastructure projects.

Evaluate the likely benefits of an increase in government expenditure on infrastructure.

Refer to a country of your choice in your answer.

(Total for Question 13 = 20 marks)

OR

14 In quarter 1 2019 the unemployment rate in South Africa was 27.6%. In quarter 2 it increased to 29%. An additional 455 000 workers became unemployed.

Evaluate the likely impact of an increase in the unemployment rate on workers, public finances and resource utilisation.

(Total for Question 14 = 20 marks)