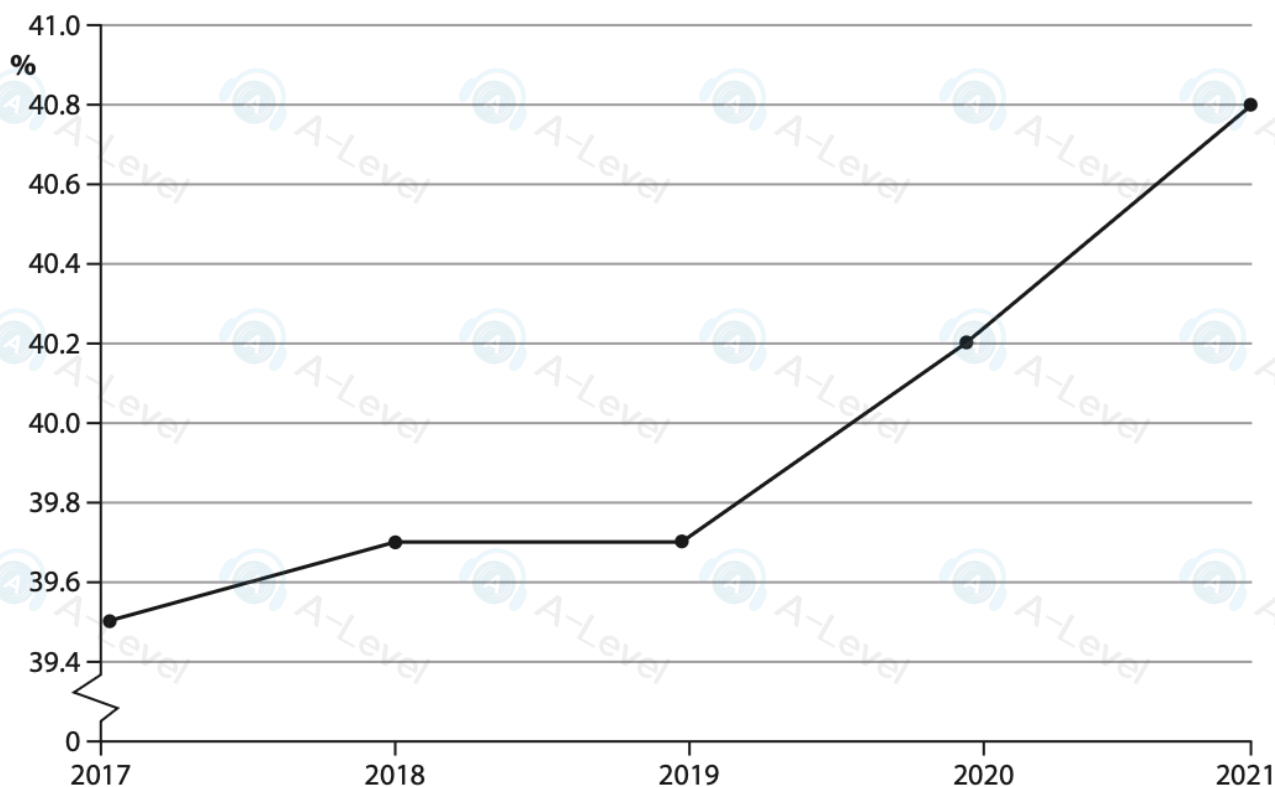


6 The chart shows Uruguay's Gini coefficient, expressed as a percentage, between 2017 and 2021.

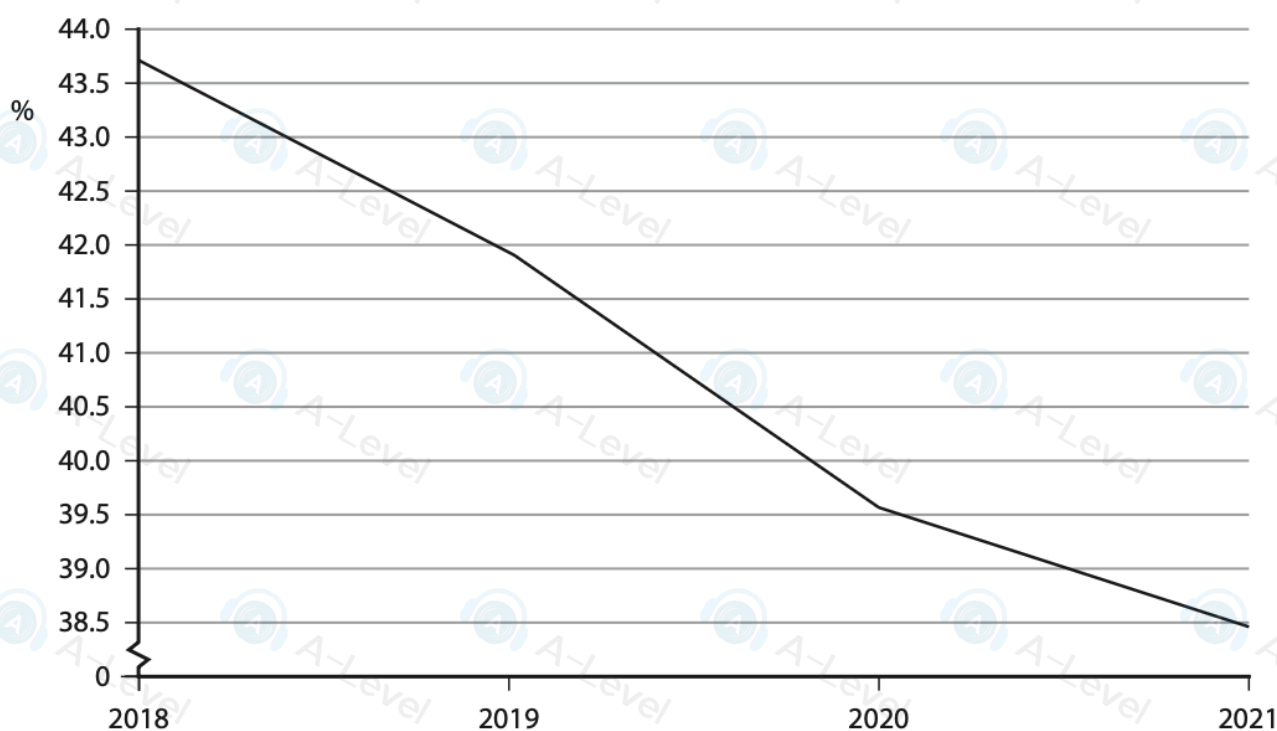


Which **one** of the following can be deduced from this chart?

- ☒ **A** Uruguay's Lorenz curve shifted closer to the line of perfect equality
- ☒ **B** Uruguay experienced perfect income inequality
- ☒ **C** Uruguay's Lorenz curve shifted away from the line of perfect equality
- ☒ **D** Income inequality in Uruguay decreased by 1.3 percentage points

(Total for Question 6 = 1 mark)

- 6 The chart shows the Dominican Republic's Gini coefficient, expressed as a percentage, between 2018 and 2021.



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

- ☒ A Between 2018 and 2021 the Lorenz curve shifted closer to the line of perfect equality
- ☒ B Between 2018 and 2019 the distribution of income became more unequal
- ☒ C Between 2019 and 2020 there was perfect income inequality
- ☒ D Between 2020 and 2021 income inequality increased by approximately 1.1%

(Total for Question 6 = 1 mark)

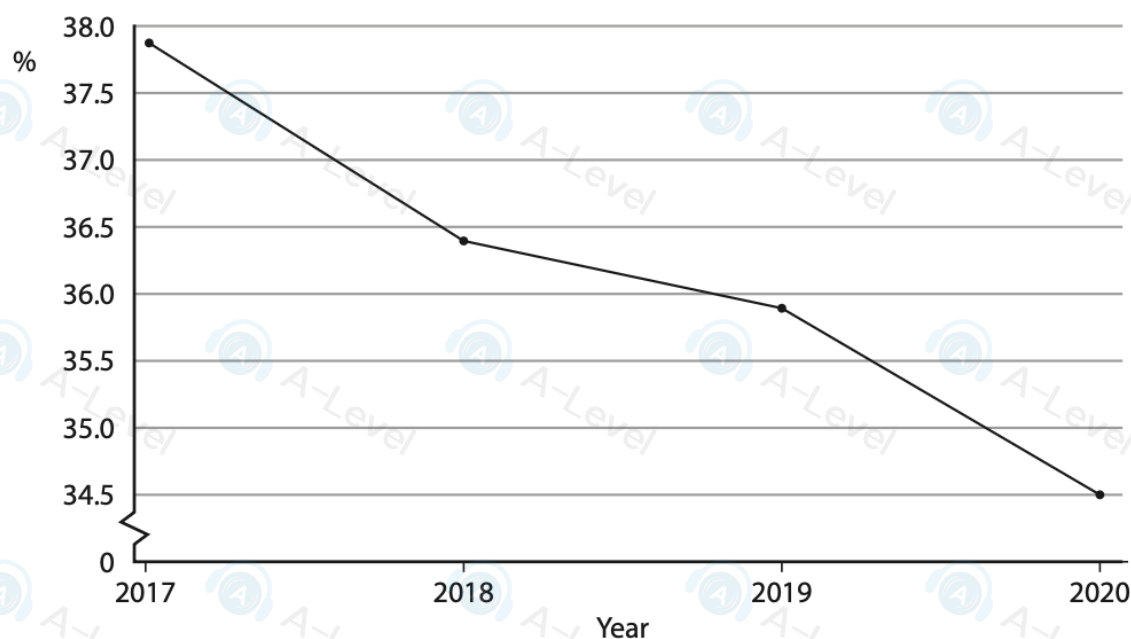
- 2 In 2023 Latvia's international competitiveness ranking was 16 places lower than it was in 2022.

Which **one** of the following is likely to increase Latvia's international competitiveness?

- ☒ A Privatisation of state-owned enterprises
- ☒ B An increase in unit labour costs
- ☒ C Less spending on healthcare services
- ☒ D Stricter regulation of product markets

(Total for Question 2 = 1 mark)

- 4 The chart shows Georgia's Gini coefficient, expressed as a percentage, between 2017 and 2020.



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

- ☒ A The distribution of income became more unequal
- ☒ B Georgia experienced perfect income equality
- ☒ C Income inequality increased by 3.4%
- ☒ D Georgia's Lorenz curve shifted closer to the line of perfect equality

(Total for Question 4 = 1 mark)

- 3 Between 2018 and 2019 the Lorenz curve of Peru shifted closer to the line of perfect equality.

Which **one** of the following can be inferred from this information?

- ☒ A The Gini coefficient for Peru had decreased
- ☒ B The Marshall-Lerner condition was not met
- ☒ C The rate of unemployment in Peru had increased
- ☒ D The Government of Peru had decreased progressive tax rates

(Total for Question 3 = 1 mark)

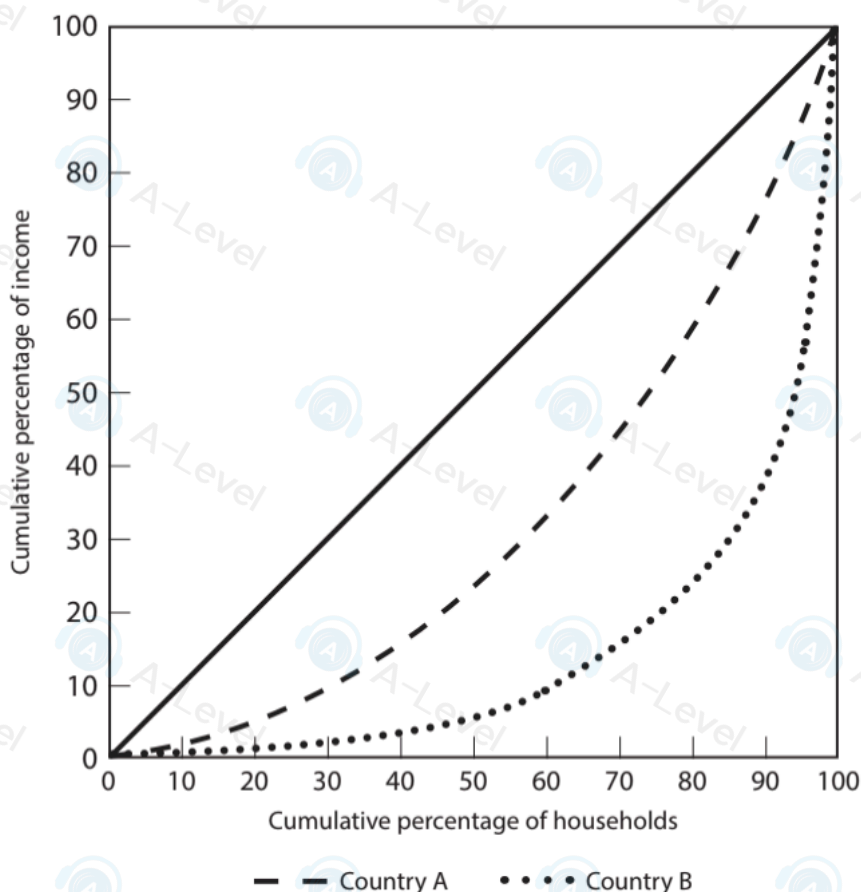
2 Armenia's Gini coefficient increased from 0.28 in 2009 to 0.34 in 2017.

Which **one** of the following is most likely to reduce Armenia's income inequality?

- ☐ A A reduction in the national minimum wage
- ☐ B An improvement in education and training
- ☐ C A decrease in progressive tax rates
- ☐ D An increase in regressive tax rates

(Total for Question 2 = 1 mark)

2 The diagram illustrates the Lorenz curves of Country A and Country B.



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

- ☐ A GDP per capita in Country B is higher than in Country A
- ☐ B Income tax rates in Country B are higher than in Country A
- ☐ C The Gini coefficient of Country A is larger than it is for Country B
- ☐ D Income is more evenly distributed in Country A than in Country B

(Total for Question 2 = 1 mark)

5 In 2022 Madagascar had an absolute poverty rate of 71%.

Which **one** of the following statements about absolute poverty is true?

- ☐ **A** Absolute poverty is the inability of individuals or groups to meet their basic needs
- ☐ **B** Absolute poverty is based on value judgements and is subject to changes over time
- ☐ **C** Absolute poverty measures the percentage of people within a country earning less than 60% of median income
- ☐ **D** Absolute poverty measures the percentage of people earning more than \$2.15 a day at 2017 PPP values

(Total for Question 5 = 1 mark)

Write your answer to your **SECOND** chosen question on page 22.

8 Between 2007 and 2022 income inequality increased in both Sweden and the USA.

Evaluate possible causes of an increase in income inequality within a developed country of your choice.

(Total for Question 8 = 20 marks)