

OXFORD CAMBRIDGE AND RSA EXAMINATIONS

A2 GCE

F585/01

ECONOMICS

The Global Economy

TUESDAY 4 JUNE 2013: Afternoon

DURATION: 2 hours

plus your additional time allowance

MODIFIED ENLARGED

Candidate forename		Candidate surname	
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Centre number						Candidate number				
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Candidates answer on the Question Paper.

OCR SUPPLIED MATERIALS:

Clean copy Stimulus Material

OTHER MATERIALS REQUIRED:

Calculators may be used

<p>A CALCULATOR MAY BE USED FOR THIS PAPER</p>

READ INSTRUCTIONS OVERLEAF

INSTRUCTIONS TO CANDIDATES

- Refer to the Stimulus Material in a separate booklet. You must **NOT** bring your original copy into the examination.
- Write your name, centre number and candidate number in the boxes on the first page. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer **ALL** the questions.
- Read each question carefully. Make sure you know what you have to do before starting your answer.
- Write your answer to each question in the space provided. If additional space is required, you should use the lined pages at the end of this booklet. The question number(s) must be clearly shown.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is **60**.
- Any blank pages are indicated.
- The quality of your written communication will be taken into account in the marking of your answer to question 3. All answers should be in continuous prose.

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Answer ALL questions.

- 1 (a) In order to gain membership of the eurozone, countries must achieve a high degree of fiscal and monetary convergence with existing members.**

Describe what is meant by fiscal and monetary convergence.

[4]

[illegible]

(b) Analyse TWO economic benefits which Estonia might be expected to gain from membership of the eurozone. [6]

1 _____

2 _____

(c) Comment on the likely economic benefits for Central and Eastern European (CEE) economies of high levels of Foreign Direct Investment (FDI). [10]

[illegible]

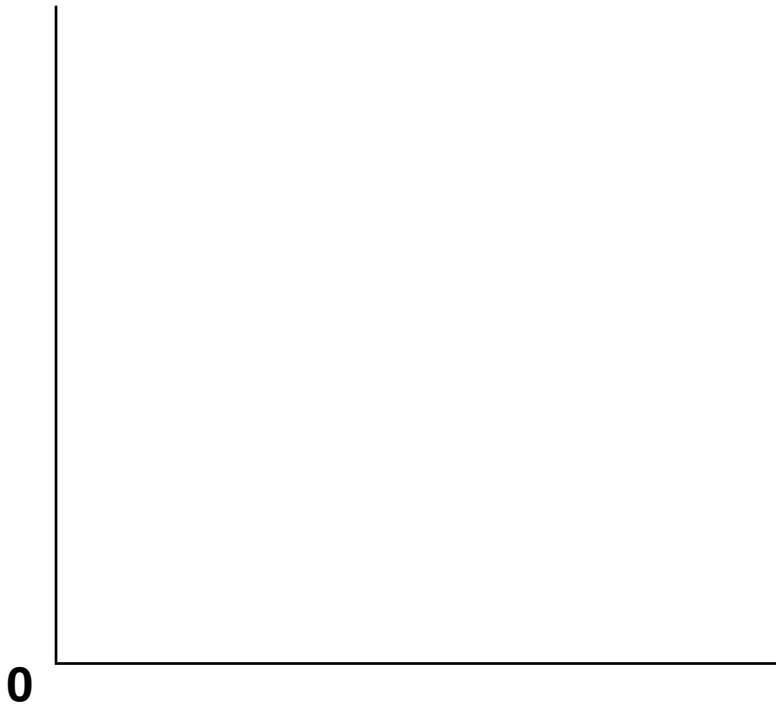
[illegible]

[illegible]

[illegible]

(b) With the aid of a diagram, analyse ONE likely reason for the changes in Estonia's price level and real GDP in 2008.

[6]



[illegible]

[illegible]

[illegible]

3 Discuss the view that future high rates of economic growth alone may enable Estonia to achieve sustainable development. [20]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

END OF QUESTION PAPER

ADDITIONAL ANSWER SPACE

If additional answer space is required, you should use the following lined page(s). The question number(s) must be clearly shown in the margins.

[illegible]

