



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
International General Certificate of Secondary Education

CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

* 3 3 2 3 7 6 4 9 9 9 *

ECONOMICS

0455/03

Paper 3 Analysis and Critical Evaluation

October/November 2009

1 hour 30 minutes

Candidates answer on the Question Paper.
Additional Materials: Insert

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
You may use a soft pencil for any diagrams, graphs or rough working.
Do not use staples, paper clips, highlighters, glue or correction fluid.
DO NOT WRITE IN ANY BARCODES.

Answer **all** questions.

At the end of the examination, fasten all your work securely together.
The number of marks is given in brackets [] at the end of each question or part question.

For Examiner's Use	
1	
2	
Total	

This document consists of 7 printed pages, 1 blank page and 1 insert.



The extract 'Banking Services from Mobile (Cell) Phones' will be needed for this question.

For
Examiner's
Use

- 1 (a) Identify **two** reasons why the M-PESA phone account is preferred to conventional banking.

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..... [2]

- (b) Describe the functions of a commercial bank.

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The extract 'Zambezi Hydro-Electric Power' will be needed for this question.

For
Examiner's
Use

2 (a) Explain what is meant by a private benefit.

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..... [2]

(b) Use examples from the extract to explain what is meant by an externality.

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