ST EDWARD'S OXFORD



16+ ENTRANCE EXAMINATION

For entry in September 2016

ECONOMICS

Time: 1 hour

Candidates Name:

- Instructions to Candidates
- Write your answer to each question in the space provided.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Answer all the questions

Information for Candidates

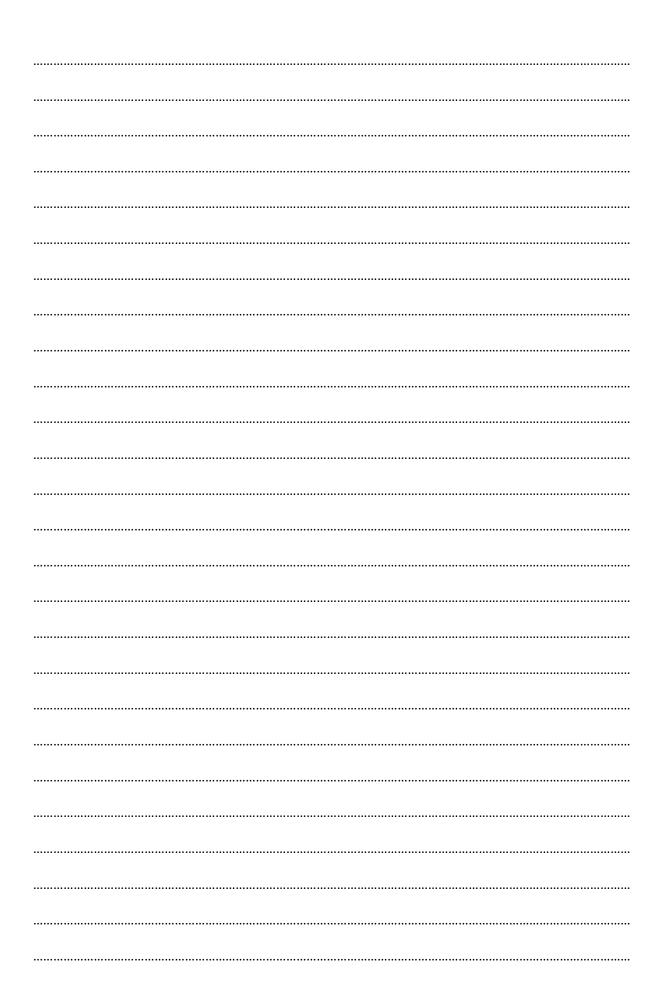
- The number of marks is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is 40

	1. Using an example, explain the term opportunity cost and how it relates to Economics.
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	(4)
1.	Using a supply and demand diagram in your answer, explain what could have caused an
1.	osing a supply and demand diagram in your answer, explain what could have caused an
	increase in the price of beef.

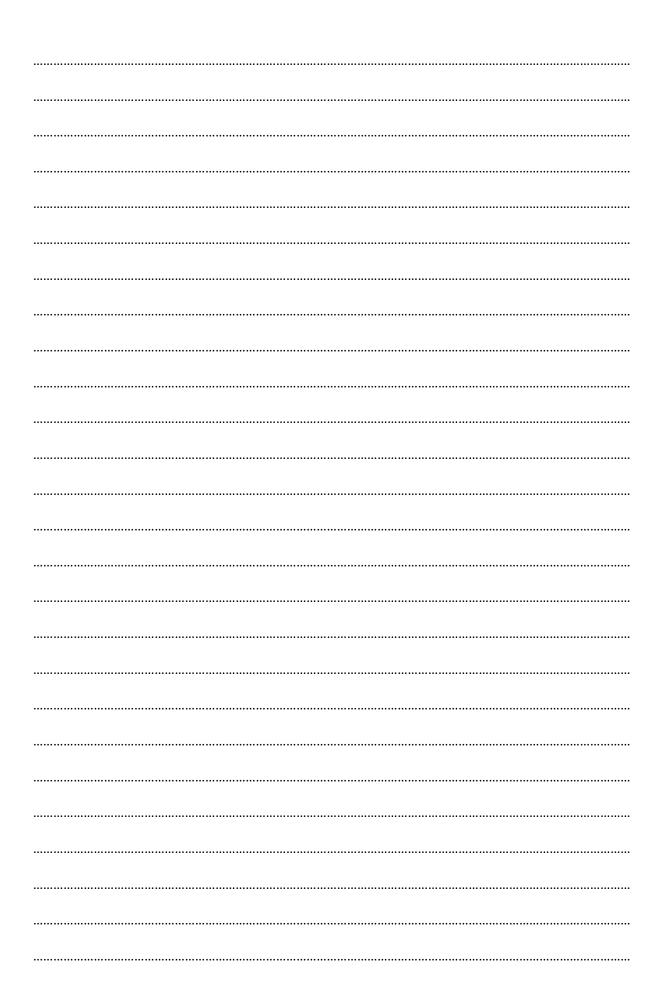
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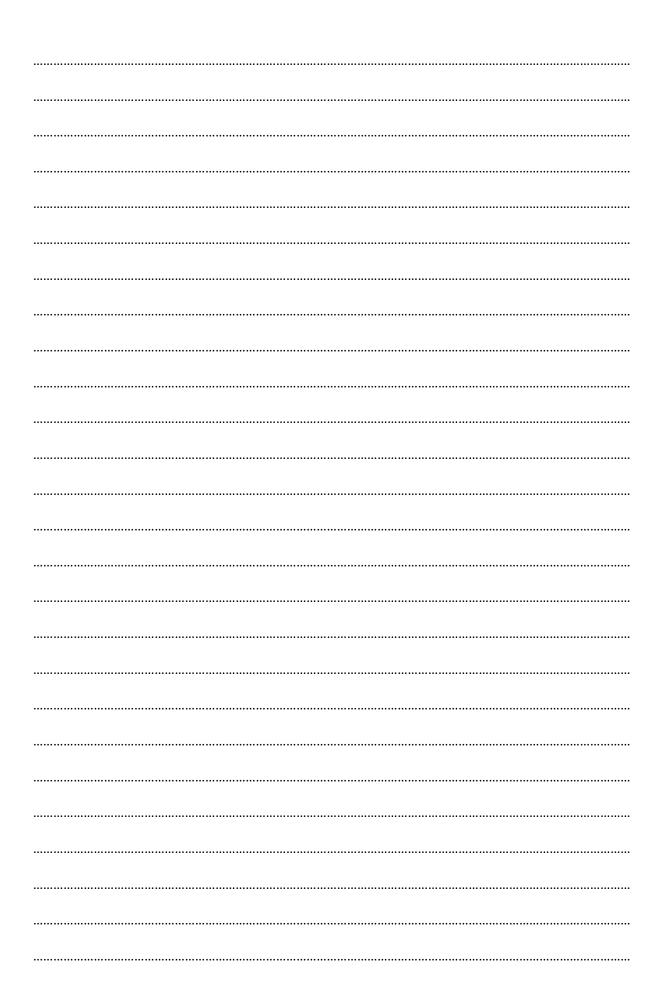
2.	/hat does the term 'austerity' mean to you in terms of Economics?		
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2	Discuss the likely accompanie offects of a 200% out in government subsidies for new build		
3.	Discuss the likely economic effects of a 30% cut in government subsidies for new build		
	affordable homes.		
••••••			

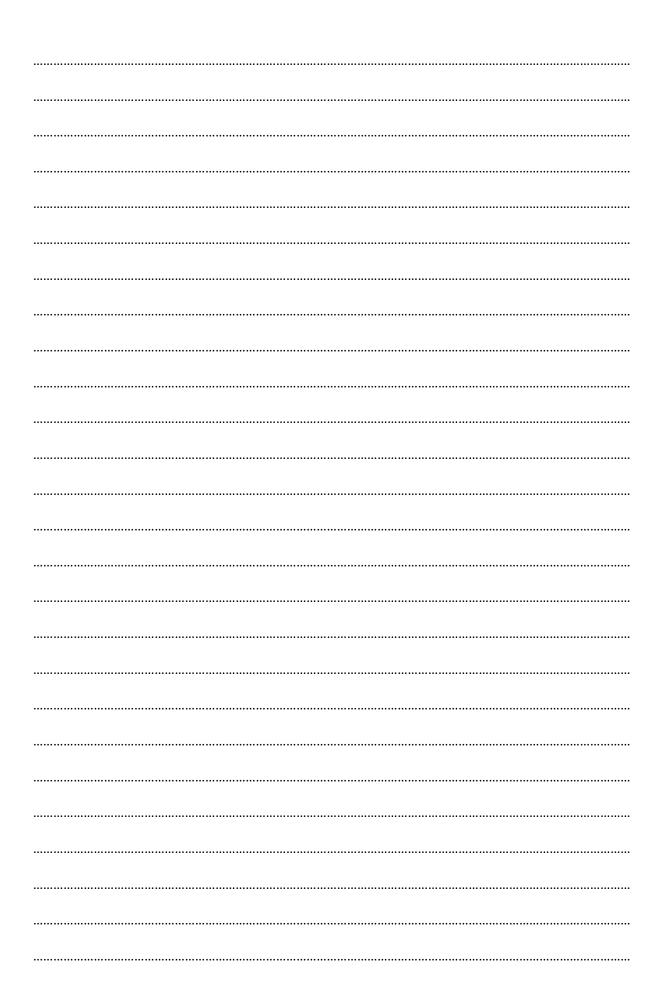


(6)
4. Assess the economic effects if the Central Bank increased the interest rate.



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(14)

Additional answer space.	Anv answers	written in th	s space must	: be clearly nu	mbered.

