DULWICH COLLEGE
FOUNDED 1619

Upper School entrance examination
SPECIMEN PAPER
Economics

Your Last Name	
Your First Name	
Date of birth	
Current school	

Time allowed for this paper 45 minutes

Answer **one** of the questions

For each question,

Part 1 carries a maximum score of **3 marks**
Part 2 carries a maximum score of **7 marks**

Section A: Short Answers

Please answer all four questions in the space provided.

1. Inflation is the measure of the rate of change in prices. If inflation falls from 3% per year to 2% per year, which one of the following is true?
   (Show your answer by circling the letter a, b, c or d).

   a) prices have fallen
   b) prices have risen at a faster rate than previously
   c) prices have risen at a slower rate than previously
   d) none of the above **1 mark**

2. 30% of the consumers in a survey stated that they were happy with the service they received from a business; of these, 20% said they were extremely happy.

   If 120 consumers were polled in the survey, how many were extremely happy?
   (Show your answer by circling the letter a, b, c or d).

   a) 18
   b) 24
   c) 36
   d) None of the above **1 mark**

3. The probability of a lottery ticket winning the £5 prize is 0.1. If a ticket costs £1 to purchase, what is the expected profit or loss to the customer if they buy one ticket?
   (Show your working and answer in the space below).

   2 marks

3. If Adam always prefers apples to peaches and always prefers peaches to bananas, which one of the following must necessarily be true?
   (Show your answer by circling the letter a, b, or c).

   a) Adam always prefers bananas to apples
   b) Adam always prefers apples to bananas
   c) None of the above **1 mark**

Section B

Please answer the following question in the space provided.

Choosing a recent economic or political problem (e.g. a natural disaster, a financial crisis, or your own example), to what extent has government intervention helped?

15 marks