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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1. Using 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. What does the term ‘austerity’ mean to you in terms of Economics?

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3. Discuss the likely economic effects of a 30% cut in government subsidies for new build affordable homes.

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

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5. From your knowledge of economics, evaluate the extent to which the benefits of globalisation outweigh the costs.

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Additional answer space. Any answers written in this space must be clearly numbered.

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