



Rewarding Learning

General Certificate of Secondary Education
2025

Centre Number

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Candidate Number

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Economics

Paper 2



[G9282]

G9282

WEDNESDAY 28 MAY, MORNING

TIME

1 hour 15 minutes.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

You must answer **both** questions in the spaces provided.

Do not write outside the boxed area on each page, or on blank pages.

Complete in black ink only. **Do not write with a gel pen.**

INFORMATION FOR CANDIDATES

The total mark for this paper is 60.

Any working should be clearly shown since marks may be awarded for partially correct solutions.

Your quality of written communication will be taken into account in assessing your answers to questions **1(d)** and **(e)**, and **2(d)** and **(e)**.

ADVICE TO CANDIDATES

You should take into account the maximum marks available when deciding how much time to spend on each question or part question.

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Answer **both** questions

- 1 Study the information below and answer the questions that follow.

The UK has been undergoing a digital revolution

The UK has been undergoing a digital revolution. More people have access to internet services than ever before. This has not only impacted the way people communicate, but also how they manage their personal finances. Several payment methods are available, from traditional cash to more advanced electronic fund transfers.

The Bank of England has increased its interest rate from 0.25% in 2022 to 5.25% in 2023. This change has significantly influenced consumer behaviours around saving, borrowing and investing. However, there is a growing concern about consumer debt in the country. The higher interest rates have made it harder for people to repay their variable-rate mortgages and loans, leading to more defaults and insolvencies. A default occurs when a debtor fails to meet a financial obligation, such as paying a loan or a bill on time. Insolvency occurs when a debtor cannot pay all their debts, even if they sell all their assets.

The younger population (aged 16–30) are encouraged to plan for the future, but they have been more inclined to use electronic payment methods and take short-term loans for gadgets and holidays. In contrast, the middle age group (30–65) focuses more on long-term investments, like pensions and mortgages. There is also a cultural divide. Older generations view taking loans for non-essential items as irresponsible, while younger generations see it as a way to enjoy life now rather than later.

Source : Adapted from 1. [rapyd.net](https://www.rapyd.net) 2. [bankofengland.co.uk](https://www.bankofengland.co.uk) 3. [ftadviser.com](https://www.ftadviser.com) 4. [gocardless.com](https://www.gocardless.com)



(a) Explain **two** functions that money performs in the economy.

1. _____

2. _____

_____ [4]



(b) The younger population (aged 16–30) are encouraged to plan for the future.

Explain **two** relevant financial products that they may choose to plan for their future.

1. _____

2. _____

[6]



(c) Explain **two** ways individuals can best prevent financial difficulties.

1. _____

2. _____

[4]





Handwriting practice lines consisting of 18 horizontal lines.



(e) Analyse how growing debt may affect consumers.

[8]

[illegible]

2 Study the information below and answer the questions that follow.

Apple's globalisation and trade strategy

Apple is one of the world's leading tech companies, known for its innovative products like iPhones, Macs and iPads. Besides gadgets, Apple provides a range of digital content and subscription services. In 2023, Apple earned \$385 billion in revenue.

Fig. 1 shows the percentage of revenue by product category for Apple in 2023:

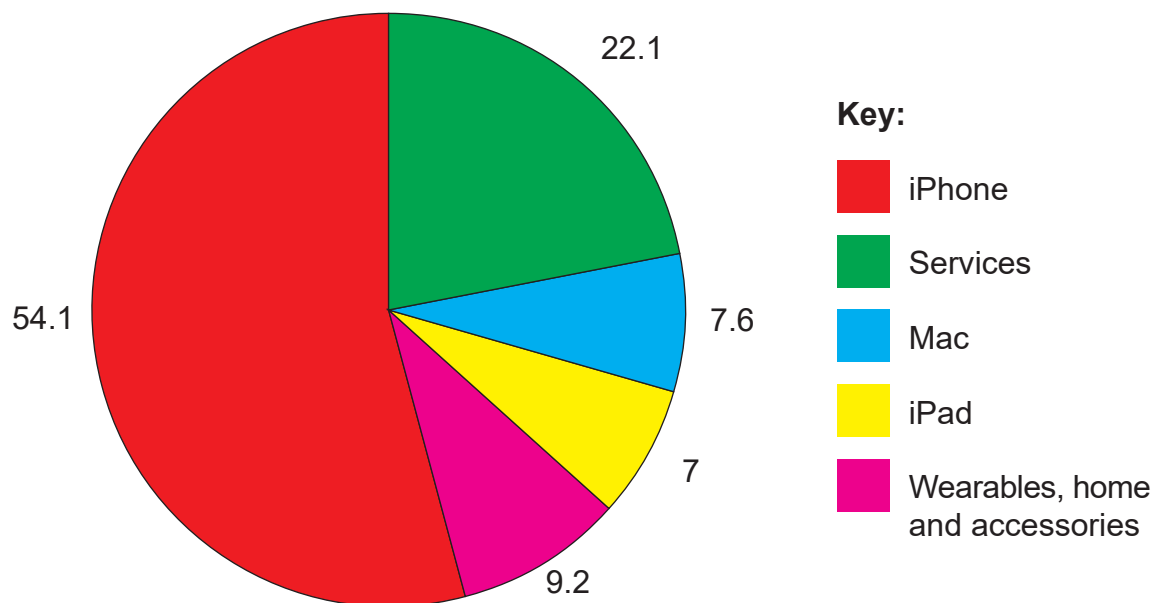


Fig. 1

Source: Based on the data from Apple's 2023 earnings report



Apple's global growth strategy is built on several key elements.

Firstly, it uses advanced technology in communication and transportation to create a worldwide supply chain. This lets Apple get materials, parts and labour from different countries, e.g. China, ensuring low costs and high quality.

Secondly, Apple gains from trade and investment policies, which make international trade easier. Apple has set up operations in many countries across the world, such as Ireland and India. This has created new jobs and driven economic growth.

Thirdly, Apple offers a variety of products and services to meet the needs of different customer segments worldwide. For example, it has introduced various iPhone models with diverse features and prices for different markets.

However, Apple's strategy is not without challenges. It faces stiff competition from other tech companies, like Samsung, offering similar products sometimes at lower prices or better quality. Also, many countries are introducing tariffs and quotas as protective strategies against global companies such as Apple.

Additionally, Apple must address ethical, social and cultural concerns related to its global activities, particularly in developing countries, such as labour practices, environmental impact and cultural influence.

Source: Adapted from 1. Apple reports Q2 2023 earnings: \$94.8 billion revenue, new records for services and iPhone – 9to5Mac
2. apple.com 3. businessofapps.com

(a) Explain what is meant by globalisation.

[2]

[Turn over



(b) Explain **two** benefits of international trade for Apple.

1. _____

[6]



- (c) With reference to the pie chart in **Fig. 1**, if the total revenue for Apple in 2023 was \$385 billion, calculate the revenue generated for iPhones sold (in \$).

[2]



[illegible]

[Turn over

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(e) Discuss how business growth affects producers such as Apple.

[10]

[illegible]



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For Examiner's use only	
Question Number	Marks
1	
2	

Total Marks	
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Examiner Number

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