Please check the examination details below before entering your candidate information

| Candidate surname | Other names |
|---|---|

Centre Number | Candidate Number

# Pearson Edexcel International Advanced Level

**Time** 2 hours

**Paper reference** **WBS14/01**

# Business

## International Advanced Level
## UNIT 4: Global business

**You must have:**
Source Booklet (enclosed)

Total Marks

## Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **ALL** questions in Sections A, B and C.
- Answer the questions in the spaces provided – *there may be more space than you need.*

## Information

- The total mark for this paper is 80.
- The marks for **each** question are shown in brackets – *use this as a guide as to how much time to spend on each question.*
- Calculators may be used.

## Advice

- Read each question carefully before you start to answer it.
- Try to answer every question.
- Check your answers if you have time at the end.

*Turn over* ▶

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## SECTION A

**Read Extracts A, B, C and D in the Source Booklet before answering Question 1.**

**Write your answers in the spaces provided.**

**1** (a) Using Extract A, calculate to **two** decimal places the GDP per capita of Senegal in 2021.

**(4)**

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(b) Explain **one** advantage for an African country, such as Senegal, of being a member of the African Continental Free Trade Area (AfCFTA).

**(4)**

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(c) Discuss the usefulness of GDP as an indicator of growth.

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(d) Assess the importance of political stability in a country when choosing a production location.

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(e) Assess the role of reduced costs of transport and communication in increasing globalisation.

**(12)**

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**(Total for Question 1 = 40 marks)**

**TOTAL FOR SECTION A = 40 MARKS**

## SECTION B

**Read Extracts E and F in the Source Booklet before answering Question 2.**

**Write your answer in the space provided.**

**2** Evaluate the extent to which the actions of multinational corporations can be controlled.

**(20)**

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**(Total for Question 2 = 20 marks)**

**TOTAL FOR SECTION B = 20 MARKS**

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## SECTION C

**Read Extract G in the Source Booklet before answering Question 3.**

**Write your answer in the space provided.**

**3** Evaluate the implications for non-Asian businesses of the growing economic power of Asia.

**(20)**

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**(Total for Question 3 = 20 marks)**

**TOTAL FOR SECTION C = 20 MARKS**
**TOTAL FOR PAPER = 80 MARKS**

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GradeMax

# Pearson Edexcel International Advanced Level

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# Business

## International Advanced Level
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**Source Booklet**
**Do not return this Booklet with the question paper.**

*Turn over* ▶

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## Sources for use with Section A

**Extract A**

**Senegal – Selected indicators**

- Population of Senegal in 2021 was 17.2 million
- GDP of Senegal in 2021 was $25.5bn

**Gross Domestic Product (GDP) growth rates**

| Year | Change in GDP (growth rates) |
|---|---|
| 2020 | 1.5% |
| 2021 | 3.7% |
| 2022 | 5.5%* |
| 2023 | 10.8%* |

* estimate

**Extract B**

**Africa's Free Trade Area**

The African Continental Free Trade Area (AfCFTA) started in 2021. All African countries have signed the agreement, apart from Eritrea. It is hoped that these 54 countries will grow together to form a single market.

They have pledged to eliminate import tariffs on 97% of goods traded between African countries over a period of time. It is hoped that this will increase trade between African countries, which will in turn boost economic growth, bringing more prosperity and social equality to those on the continent.

According to the World Economic Forum, African nations currently trade more internationally than with each other. Only 17% of African exports go to other African countries, whereas in Asia 59% of its exports go to other Asian countries and in Europe it is 68%.

**Extract C**

**Senegal attracts investors**

The largest wind farm in West Africa is in Senegal, 70 km northeast of Dakar. Stretching across 41 hectares, the Taiba N'Diaye wind power project has attracted over $400m of Foreign Direct Investment (FDI). When operating at full capacity, it will provide two million people with electricity and supply nearly a sixth of Senegal's power needs.

It is not the only large energy project that looks set to transform Senegal's economy. Reserves of more than 1 billion barrels of oil and 40,000 billion cubic feet of gas have been found just offshore. Another major find by British oil company *BP* and US operator *Kosmos Energy* has led to the development of the $4.8bn Greater Tortue Ahmeyim (GTA) project, which has 15 trillion cubic feet of recoverable gas reserves.

As a result of the oil and gas discoveries investor interest has increased, encouraged by the appealing nature of the broader Senegalese market. In a relatively unstable region, with recent coups in Guinea and Mali and turbulence in Côte d'Ivoire, Senegal stands out for its political stability.

**Extract D**

**The second wave of globalisation was enabled by technology**

The worldwide expansion of trade after the Second World War was largely possible because of reductions in costs. This was due to technological advances, such as the development of commercial aviation, the increase in productivity in shipping and the improvements in communication.

The reductions in costs had an impact, not only on the volumes of trade, but also on the types of exchanges that were possible and profitable.

By the end of the 20th century…

- Passenger air transport costs were 10.74% of the costs in 1930
- Sea freight costs were 22.32% of the costs in 1930
- International calling costs were 0.03% of the costs in 1930

## Sources for use with Section B

### Extract E

**A handful of multinational corporations is responsible for the world's plastic waste**

A global environmental pressure group, Break Free from Plastics, made up of individuals and environmental organisations including Greenpeace, says much of the plastic littering the planet comes from just a few multinational corporations.

In a recent "World Clean Up Day" held in 51 countries, the group's volunteers collected nearly half a million pieces of plastic waste. 43% of this waste was marked with a clear consumer brand.

*Coca-Cola*, *PepsiCo*, and *Nestle* were responsible for the most pieces of plastic collected. Others in the top 10 polluters include *Mondelez International*, *Unilever*, *Mars*, *P&G*, *Colgate-Palmolive*, *Philip Morris* and *Perfetti Van Melle*.

### Extract F

**Corporate polluters must watch out**

In a recent ruling, a Dutch court ordered the *Royal Dutch Corporation* and the *Shell* group, to cut the emission of carbon dioxide into the atmosphere by a net 45% at the end of 2030, compared to the 2019 levels.

This court ruling resulted from a public-interest lawsuit brought by a group of environmental pressure groups, led by the Netherlands-based Friends of the Earth, claiming violations of domestic and international law governing climate change and human rights.

**Source for use with Section C**

**Extract G**

**The future of Asia**

Asia is increasingly the centre of the world economy. By 2040, the region could account for more than half of global GDP and about 40% of global consumption.

| | **2000** | **2017** | **2040 (estimate)** |
|---|---|---|---|
| Asia's share of global GDP | 32% | 42% | 52% |
| Asia's share of global consumption | 23% | 28% | 39% |
| Asia's share of global middle classes | 23% | 40% | 54% |

- Growth has taken an estimated 646,000,000 people out of poverty since 2000.
- The mortality rate has fallen and is now comparable with or even better than rates in North America (defined as Canada, Mexico, and the United States) and Europe.
- The level of education has improved significantly.
- Average life expectancy at birth increased from 68 years in 1997 to 73 years in 2017.
- The literacy rate rose from 77% in 2007 to 84% in 2017, thus quickly catching up with rates in North America and Europe.

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**Acknowledgements**

**Extract A** adapted from: https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwish7z9pY_3AhXYgVwKHavSBcU4ChAWegQIFBAB&url=https%3A%2F%2Fwww.imf.org%2F-%2Fmedia%2FFiles%2FPublications%2FCR%2F2021%2FEnglish%2F1SENEA2021002.ashx&usg=AOvVaw0Zakf6ubliXa3gNQ37glEM

**Extract B** adapted from: https://allafrica.com/stories/202201030312.html

**Extract C** adapted from: https://african.business/2021/10/trade-investment/salls-senegal-attracts-investors/

**Extract D** adapted from: https://ourworldindata.org/trade-and-globalization

**Extract E** adapted from: https://mg.co.za/article/2019-10-23-00-a-handful-of-multinational-corporations-is-responsible-for-the-worlds-plastic-waste/

**Extract F** adapted from: https://www.thehindubusinessline.com/opinion/corporate-polluters-must-watch-out/article34755024.ece

**Extract G** adapted from: https://www.mckinsey.com/featured-insights/asia-pacific/the-future-of-asia-asian-flows-and-networks-are-defining-the-next-phase-of-globalization