



ADVANCED SUBSIDIARY GCE ECONOMICS

Market Failure and Government Intervention

2882/AB

Candidates answer in this Designated Answer Booklet

OCR Supplied Materials:

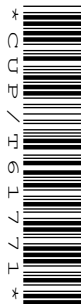
- Question Paper 2882

Other Materials Required:

None

**Friday 16 January 2009
Morning**

Duration: 1 hour



Candidate Forename		Candidate Surname	
-----------------------	--	----------------------	--

Centre Number						Candidate Number				
---------------	--	--	--	--	--	------------------	--	--	--	--

INSTRUCTIONS TO CANDIDATES

- Write your name clearly in capital letters, your Centre Number and Candidate Number in the boxes above.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure that you know what you have to do before starting your answer.
- Answer **all** the questions.
- Write your answer to each question in the space provided, however additional paper may be used if necessary.
- Do **not** write in the bar codes.

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 **45**.
- The quality of your written communication will be taken into account in marking your answers to the question labelled with an asterisk (*).
- This document consists of **8** pages. Any blank pages are indicated.

FOR EXAMINER'S USE	
TOTAL MARK	

(a) (i) Define the term 'merit good'.

.....

.....

.....

.....[2]

(ii) Explain why lighthouses are often described as a public good.

.....

.....

.....

.....[2]

(b) (i) Define the term 'external benefit'.

.....

.....

.....

.....[2]

(ii) State and explain **two** external benefits which arise from the consumption of healthcare.

1

.....

.....

.....

2

.....

.....

.....[4]

- [4]

-[2]

[10]

- [7]

- [illegible]

[12]

This image shows a full page of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page, providing a template for handwriting practice or general writing. There are no margins, text, or other markings on the page.

