

Section A

Read the source material carefully before answering Question 1.

Source material: Gabon's industries and labour force

Gabon fact file	2022
GDP	\$22bn
GDP per head	\$13 800
Oil output	\$6.6bn
Unemployment rate	23.2%
Youth unemployment rate	38.4%

Gabon is a small West African country. Its rainforests reduce air pollution, provide wood for timber production, protect against floods and reduce soil erosion. The Gabonese Government wants to conserve the country's rainforests. It has created some national parks which has increased tourism, affecting the current account of the balance of payments.

The Gabonese Government wants to reduce the country's reliance on timber production, oil production and agriculture. The country is Africa's fifth-largest oil producer but its resources of oil are running out. The oil industry causes water pollution. The country has other natural resources, including gold. In 2022, new deposits of gold were found in Gabon.

Gabon's agricultural industry employs a high proportion of the country's labour force. Fig. 1.1 shows the literacy rate and the percentage of the labour force employed in agriculture in six selected countries in 2022.

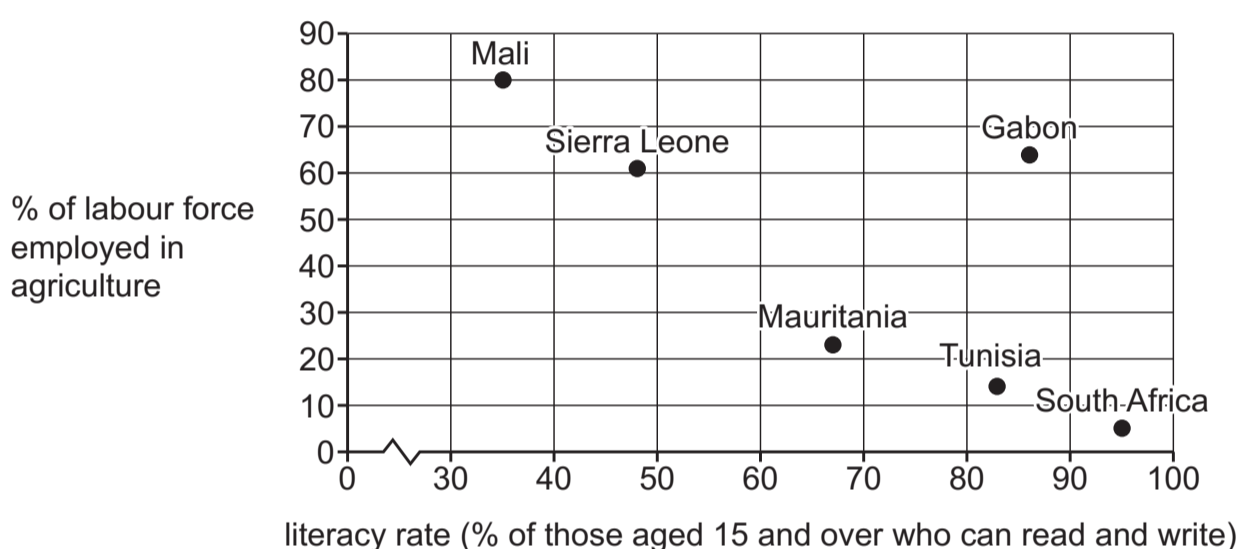


Fig.1.1 The literacy rate and the percentage of the labour force employed in agriculture in selected countries in 2022

In recent years, Gabon has experienced a high rate of unemployment among 15–24 year olds. High rates of youth unemployment can result in young people not gaining the skills and experience needed to achieve high productivity. It can also have a harmful effect on their confidence. Some governments pay private sector firms to give work experience to unemployed young people. The quality of this experience can vary.

The Gabonese Government wants to develop its textile industry, encouraging firms to grow in size. The output of the industry will be affected not only by possible government support but also by its use of technology and specialisation of workers.

Answer all parts of Question 1. Refer to the source material in your answers.

- 1 (a) Calculate the value of Gabon's oil production as a percentage of Gabon's GDP. [1]
- (b) Identify **two** external benefits of rainforests. [2]
- (c) Explain what effect an increase in tourism may have on Gabon's current account of the balance of payments. [2]
- (d) Explain **two** reasons why the Gabonese Government wants to reduce reliance on oil. [4]
- (f) Analyse the relationship between the literacy rate and the percentage of the labour force employed in agriculture. [5]
- (g) Discuss whether or not a government should pay private sector firms to give work experience to unemployed young people. [6]
- (h) Discuss whether or not a growth in the size of firms in Gabon's textile industry will reduce their average cost of production. [6]

Section B

Answer any **three** questions.

Each question is introduced by stimulus material. In your answer you may refer to this material and/or to other examples that you have studied.