

5 In 2023, the Chinese Government said that it would aim for an economic growth rate of 5% and a steady increase in both exports and imports. It was expected that higher output would be caused mainly by an increase in household spending, although this could also result in inflation. Another aim of the Chinese Government was to keep the unemployment rate at around 5.5%. China has an ageing population and an ageing labour force.

- (a)** Identify **two** influences on household spending. [2]
- (b)** Explain **two** advantages of employing older workers. [4]
- (c)** Analyse how an increase in household spending could cause inflation. [6]
- (d)** Discuss whether or not a government should aim for an increase in imports. [8]