ECONOMICS **9772/02**

Paper 2 Essays **May/June 2019**

MARK SCHEME

Maximum Mark: 75

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

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This document consists of **21** printed pages.

Generic Marking Principles

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptors for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

Marking criteria for Paper 2

For this paper, marks should be awarded in two categories. The first covers the knowledge and understanding of relevant economics, how this is applied and how the information/issues are analysed (Theory and Analysis) and the second covers the candidate's evaluation of the issues involved (Evaluation). Examiners should look to mark the essay holistically and decide into which relevant Levels the answer lies. The Levels achieved will not necessarily be the same for the two categories.

Theory and Analysis

Level 4 (13 – 17 marks) Mid mark 15	An excellent answer that shows accurate and comprehensive application of relevant theory. There will be in-depth and coherent analysis. At the top end there will be signs of real insight and/or originality, not normally expected to be seen at this level.
Level 3 (9 – 12 marks) Mid mark 11	An answer that logically addresses the issues involved and generally shows a correct application of the relevant theory. An attempt is made to analyse and there is some depth or coherence but not necessarily both.
Level 2 (5 – 8 marks) Mid mark 7	Some correct application of relevant theory will be shown but there may well be inaccuracies contained within the answer. An appreciation of the need to analyse may be demonstrated, but not much more than this. The answer is likely to lack any real coherence.
Level 1 (1 – 4 marks) Mid mark 3	The answer contains something of relevance to the set question. However, theory may be misunderstood, or incorrectly applied. At this level, any analysis shown will be extremely superficial.
Level 0 (0 marks)	Nothing of any relevance to the set question is shown within the answer.

Evaluation

Level 3 (6 – 8 marks) Mid mark 7	There is in-depth, coherent, comprehensive and well-balanced evaluation. At the top end there will be signs of real insight and/or originality, not normally expected to be seen at this level.
Level 2 (3 – 5 marks) Mid mark 4	There is a definite attempt to consider various points of view or outcomes for different economic agents or distinction between short-run and long-run consequences etc. but the coverage of these is less than comprehensive.
Level 1 (1 – 2 marks) Mid mark 2	There is some attempt at evaluation but issues are more likely to be stated than examined.
Level 0 (0 marks)	There is no evidence of any evaluation whatsoever.

Question	Answer	Marks
	Section A	
1	**A firm had estimates of the elasticities of demand for its domestic consumer service product in the past, when the national economy was in recession, and in the current year, after the recession has ended, as follows:**	25

	Recession year	**Current year**
Price elasticity of demand	–0.30	-0.25
Income elasticity of demand	–0.50	-1.50

Discuss the extent to which these estimates could be of help to the firm in its current and future decision-making.

Candidates should show a good grasp of the two elasticity measures, and be able to interpret the four particular values given. They should then be able to explain possible advantages in principle for the firm's decision-making of knowledge of the four estimates, as well as to consider possible difficulties in practice.

Knowledge and **understanding** of price and income elasticity of demand, and of the ceteris paribus assumptions on which they are based.

Application to the interpretation of the four particular estimates – that the product is inferior, to a considerably greater extent in the current year than during the recession, and price-inelastic in demand, to a similar extent during the recession and currently.

Analysis of potential help knowledge of price- and income-elasticities would bring; this would be in terms of predicting how demand would be likely to change according to any price change the firm may consider making, and to any change in consumer incomes that is forecast/occurs. Explanation too of relevant 'other factors' that might change to make the elasticity estimates unreliable when attempting to make predictions – e.g. pricing behaviour of other firms, and the competitive structure of the relevant market; or tastes/preferences of consumers, perhaps themselves influenced by non-price marketing efforts of firms.

Evaluation of the issues involved.
Examples:
• How reliable are such estimates of elasticities likely to be?
• Is the nature of the product [a domestic consumer service] relevant?
• Is the time-scale of relevant decision-making relevant?
• How important are price and income in determining demand, compared to other possible influences?

Question	Answer	Marks
1	In a well-structured answer, it is likely that there will be a conclusion drawn that relates to the 'extent to which these estimates could be of help'.	

Theory and analysis

Level 4 (13 – 17 marks) Mid mark 15	There is a clear understanding of both elasticity measures, and an accurate interpretation of the implications of the particular four values given. The nature of the possible benefits of having the estimates will be explained, but there will also be clear explanation of other factors that can influence demand, as well as some scepticism about the possibility of gaining accurate estimates of price and income elasticities. The context of a domestic service product will also be at least given some consideration, at the top of this level.
Level 3 (9 – 12 marks) Mid mark 11	The candidate will demonstrate a good understanding of both elasticity concepts, though the interpretation of the four particular values given may only be partial. There will be some consideration of the importance of 'ceteris paribus' assumptions, though the implications for the possible help to the firm need to be clear. The context may be largely ignored.
Level 2 (5 – 8 marks) Mid mark 7	There is likely to be some understanding shown but the answer and examples will be superficial and the candidate will not have appreciated the point of the question in terms of help towards decision-making – the answer may focus largely on the meaning of the elasticities.
Level 1 (1 – 4 marks) Mid mark 3	A very weak answer that will merely state a few of the issues involved but with no real analysis, and the answer is likely to include a lot of confusion / inaccuracies.

Question		Answer	Marks
1	**Evaluation**		
	Level 3 (6 – 8 marks) Mid mark 7	A good answer is likely to discuss issues such as: • Can any estimates of elasticities be accurate? • How relevant can information derived from past data be as an aid to future decision-making? • Would decision-making without recourse to such elasticity estimates be likely to be any better? There is likely to be a conclusion drawn at the end to explain the candidate's overall view – even if this is that there is no clear-cut answer.	
	Level 2 (3 – 5 marks) Mid mark 4	One of the above will be discussed in detail or a couple of points touched on, but only in a relatively superficial way.	
	Level 1 (1 – 2 marks) Mid mark 2	Whilst there might be some appreciation that evaluation could be carried out and indeed there might be the odd comment that suggests an area for potential evaluation, it stops there at the comment, and the point is not developed. For example: 'Knowledge of price elasticity of demand is bound to be helpful to a firm.'	

Question	Answer	Marks
2	**Government should intervene on economic grounds to prevent the availability of potentially harmful goods and services such as alcohol and gambling.'** **To what extent do you agree with this statement?** Candidates should show a clear understanding of the concepts of demerit goods and negative externalities, and of their implications for the efficient allocation of resources – the goods and services would be over-provided, relative to the optimum, in a free market. Different options for government intervention should then be considered and assessed. **Answers may include:** **Knowledge** and **understanding** of the concepts of demerit goods and negative externalities, of the implications for the efficient allocation of resources and of relevant possible methods of government intervention. **Application** to real life – there needs to be consideration of the particular case of potentially harmful goods and services, and of such possible government policies as taxation and direct prohibition. **Analysis** of the relationships between private and social marginal costs and benefits, and of the difference between actual and perceived private benefit. **Evaluation** of the issues involved might include consideration of the following : • Are there value judgements involved in the concepts of demerit goods and negative externalities? • Are governments able to identify the optimum allocation of resources? • Should all 'harmful goods and services' be treated the same? • Could government action result in a worsening of outcome? A good answer is likely to discuss issues such as: • Should the free market always be allowed to operate? • Do governments have sufficiently accurate knowledge to intervene so as to improve resource allocation? • How does prohibition compare with other possible methods of government intervention?	25

Question	Answer	Marks
2	In a well-structured answer it is likely that there will be a conclusion drawn at the end to explain the candidate's response to the question, 'to what extent do you agree?' **Theory and analysis**	

Level 4 (13 – 17 marks) Mid mark 15	There is a clear demonstration of an understanding of both demerit goods and negative externalities, with relevant examples used. The analysis will be both precise and comprehensive and almost certainly accurate diagrams will be used. At the top of this level a candidate will need to explain how prohibition would work in this context as well as at least one other possible method of government intervention – probably taxation. There will be a clear focus on how resources can be optimally allocated in the 'harmful goods and services' context.
Level 3 (9 – 12 marks) Mid mark 11	The candidate may look at both demerit goods and negative externalities, though will probably cover one rather superficially or with some errors in the analysis. Possibly only one method of intervention will be examined; alternatively, more than one method of intervention might be explained but without any link to optimum allocation of resources.
Level 2 (5 – 8 marks) Mid mark 7	The candidate is likely to focus **just** on the nature of harmful goods and services as demerit goods and/or as having negative externalities. There is a definite appreciation of what the question is asking but the answer will fail to go into any 'meaningful' analysis and will probably be more a collection of statements rather than any true explanation.
Level 1 (1 – 4 marks) Mid mark 3	Explanations are either missing or inaccurate. The answer is likely to fail to address the set question but instead be a weak description of market failure and/or of the harm done by harmful goods and services.

Question		Answer	Marks
3	**Evaluation**		
	Level 3 (6 – 8 marks) Mid mark 7	A good answer is likely to discuss issues such as: • What is the nature of the market failure(s) caused by 'harmful goods and services', and can it/they be quantified? • What is the responsibility of a government in such a market? • Can government intervention do more harm than good? In a well-structured answer it is likely that there will be a conclusion drawn at the end to explain the candidate's overall view.	
	Level 2 (3 – 5 marks) Mid mark 4	One of the above will be discussed in detail or a couple of points touched on, but only in a relatively superficial way.	
	Level 1 (1 – 2 marks) Mid mark 2	Whilst there might be some appreciation that evaluation could be carried out and indeed there might be the odd comment that suggests an area for potential evaluation, it stops there at the comment, and the point is not developed. For example: 'Governments should intervene to prevent things doing people harm.'	

Question	Answer	Marks
3	**The so-called 'gender pay gap' – that the average wage of females in full-time work is only around 80% of the average male wage – does not represent discrimination against female workers. Instead, the differences between male pay and female pay merely reflect differences in supply and demand conditions in the market.'** **Discuss the economic validity of this assertion.** Candidates should show a good understanding of the factors influencing both the demand for and the supply of labour in general, as well as factors causing female pay on average to be lower than that of males. **Answers may include:** **Knowledge** and **understanding** of the factors underlying the demand for and the supply of labour in general, and of how they interact to determine relative wages in markets. **Application** of these factors to the demand for and supply of female workers in particular. **Analysis** Examples: • How physical productivity and product price influence MRP of labour. • How such factors as education and training, trade union activity, net advantages influence the supply of labour. • How differences in S and/or D factors between males and females might influence their relative wages. **Evaluation** of the issues involved Examples: • What would constitute 'discrimination'? • What about variation in wages within the categories 'males' and 'females'? • Surely supply and demand factors themselves reflect discrimination?	25

Question	Answer		Marks
3	**Theory and analysis**		
	Level 4 (13 – 17 marks) Mid mark 15	There will be a clear and accurate explanation of the theory of wage determination based on the demand for and supply of labour in general, and also a detailed consideration of aspects in which the situation may be thought to differ for males and females. There will almost certainly be an accurate use of relevant diagram[s]. At the top of this level, there will also need to be some discussion of what would be involved in 'discrimination', and discussion of how this links to the operation of supply and demand forces in the market.	
	Level 3 (9 – 12 marks) Mid mark 11	The candidate is likely to have a decent knowledge of the basic supply and demand theory of wage determination, but perhaps may lack other than superficial explanation of application to the males/females difference. Alternatively, not enough will be explained – merely stated. Little or no consideration will be given to the possible meaning of 'discrimination'.	
	Level 2 (5 – 8 marks) Mid mark 7	Any 'analysis' is likely to be superficial and will most likely consist of a few statements without any explanation, or the explanations are likely to contain errors. Answers at this level will show no appreciation of the issue of what discrimination might involve in this context.	
	Level 1 (1 – 4 marks) Mid mark 3	A very limited or incorrect grasp of the factors underlying supply and demand for labour, with largely superficial comments on male/female wage differences.	

Question	Answer	Marks
3	**Evaluation**	
	Level 3 (6 – 8 marks) Mid mark 7	A good answer is likely to discuss issues such as: • Do relative wages reflect differences in supply and demand? • What would discrimination actually involve in economic terms? • Not all females [or males] earn the same, so how relevant are statements about differences in average wages? • There is likely to be a conclusion drawn at the end to explain the candidate's overall view – even if this is that there is no clear-cut answer.	
	Level 2 (3 – 5 marks) Mid mark 4	One of the above will be discussed in detail or a couple of points touched on, but only in a relatively superficial way.	
	Level 1 (1 – 2 marks) Mid mark 2	Whilst there might be some appreciation that evaluation could be carried out and indeed there might be the odd comment that suggests an area for potential evaluation, it stops there at the comment, and the point is not developed. For example: 'Not all women earn the same as men doing the same work.'	

Question	Answer	Marks
	Section B	
4	**'Unemployment in Italy was measured at 11.5% in February, 2017, with youth unemployment over 35%. To avoid the huge waste that these figures represent, Italy should abandon its commitment to the Euro, and instead revert to its own free-floating currency.'** **Discuss this view.** **Candidates** should be able to interpret the 'huge waste' that the stated unemployment represents. The crux of a good answer, though, will be to explain why being a member of the Eurozone, with a basically fixed exchange rate with regard to all other members at least, might be detrimental to achieving lower unemployment in general and of youths in particular; and hence also to explain why reverting to its own free-floating currency might resolve the problem. A good answer would also consider downsides of such a policy decision, in terms of problems both in reducing the u/e and more generally of abandoning the euro; and so possible alternative ways [i.e. not via monetary policy] of trying to address the unemployment problems. **Answers may include:** **Knowledge** and **understanding** of the 'waste' represented by unemployment, of the way in which a floating exchange rate can be used as a policy weapon to try to tackle unemployment, and of other alternative policy options – e.g. via using fiscal or supply-side policies. **Application** – to the context of the Eurozone as in effect fixing the value of each member country's currency against all others within the zone, thereby in effect removing the opportunity for a country such as Italy to use domestic monetary policy to tackle issues of unemployment. The distinction between general and youth unemployment should also be considered. **Analysis** Examples: • Explanation of how unemployment involves a waste of resources. • Explanation of how a reduced exchange rate can generate greater AD and so reduced unemployment. • Explanation of how fiscal policy and supply-side policy can be used to address a position in which unemployment, both in general and particularly focused on youths, is unacceptably high.	25

Question	Answer	Marks
4	**Evaluation** of the issues involved. Examples: • Does unemployment necessarily constitute a 'waste'? • Would leaving the Eurozone really enable Italy to solve its u/e problems? • What about countervailing benefits to Italy of Eurozone membership? • Is Italy able to leave the Eurozone even if it wanted to?	

Theory and analysis

Level 4 (13 – 17 marks) Mid mark 15	There is a clear and accurate explanation of fixed and floating exchange rates and how they link to possible causes of/cures for excessive unemployment. There will also be consideration of downsides for Italy of leaving the Eurozone, difficulties of actually solving the unemployment problems – including the youth aspect - via having a floating exchange rate, and, at the top level, some discussion of either the 'waste' aspect, or at least one alternative policy to achieve the same end.
Level 3 (9 – 12 marks) Mid mark 11	The answer will demonstrate a grasp of the mechanism for addressing a problem of excessive unemployment through exchange rate manipulation and there will be at least some explanation of possible difficulties involved in Italy adopting the recommended policy, even if it is somewhat superficial. Similarly, there will probably be only passing reference, if any, to either the 'waste' aspect, or to alternative policy options – OR the answer will focus on such alternative options at the expense of full explanation of the exchange rate one.
Level 2 (5 – 8 marks) Mid mark 7	Any analysis is likely to be rather superficial and there will, at best, be limited knowledge shown of the relationship between exchange rates and level of unemployment – although the candidate may show that they have some idea of how unemployment might be tackled in a more general way.
Level 1 (1 – 4 marks) Mid mark 3	There will be little if any relevance. No relevant theoretical analysis will be included, although there may be some knowledge perhaps of some problems of Eurozone countries.

Question	Answer	Marks
4	**Evaluation**	

Level 3 (6 – 8 marks) Mid mark 7	A good answer is likely to discuss issues such as: • Does the ability to change exchange rates necessarily mean that unemployment problems can be solved? • Could Italy actually be able to manipulate its own exchange rate? • Wouldn't the downsides of leaving the Eurozone be much greater for Italy than the downsides of the current high level of unemployment? There is likely to be a conclusion drawn at the end to explain the candidate's overall view – even if this is that there is no clear-cut answer.
Level 2 (3 – 5 marks) Mid mark 4	One of the above will be discussed in detail or a couple of points touched on, but only in a relatively superficial way.
Level 1 (1 – 2 marks) Mid mark 2	Whilst there might be some appreciation that evaluation could be carried out and indeed there might be the odd comment that suggests an area for potential evaluation, it stops there at the comment, and the point is not developed. For example: 'The disadvantages of leaving the Eurozone outweigh those of the high levels of unemployment.'

Question	Answer	Marks
5	**'The UK rate of inflation, as measured by the annual change in the CPI, increased from 1.0% in August, 2016 to 2.7% in August, 2017'.** **To what extent do you agree that when the rate of inflation is above target, interest rates should be increased?** The first requirement is in effect to unpick the statement, with a change in the rate of inflation, moving from at the lowest level of the current target rate range to towards the upper end. Candidates should show a good understanding of inflation targeting in the UK, and of the link to monetary policy. They need to explain that an above-target rate of inflation ought to lead to increased interest rates, and to explain why, even though the August, 2017 rate of inflation was not actually quite 'above target'. On the other hand, the possible downsides of higher interest rates also need to be explained, as also does the fact that it is not current actual but expected future inflation that matters in the setting of interest rates. **Answers may include:** **Knowledge** and **understanding** of the method of inflation targeting in the UK, and of the relationship between inflation and interest rates as far as decision-making by the Bank of England's Monetary Policy Committee is concerned. **Application** in terms of what is currently happening with regard to both interest rates and inflation within the UK two years on from the date quoted in the question. **Analysis** of the relationship between interest rate and inflation, both directly via changes in elements of Aggregate Demand and also through a monetary mechanism via the supply of money. Better candidates will also consider how inflation can have, and indeed has had in recent years in the UK, different causes and that this influences the relevance of using interest rate changes to try to achieve any given inflation target. **Evaluation** of the issues involved. Examples: • What matters most, that inflation has been increasing or that it is currently not strictly above target? • Should the MPC make interest rate decisions on the basis just of current inflation? • Does the cause of the rise in inflation, or of the level of inflation, matter? • When setting interest rates, are there any objectives in addition to the rate of inflation? In a well-structured answer it is likely there will be a conclusion which references the question, 'to what extent do you agree?'	25

Question	Answer		Marks
5	**Theory and analysis**		
	Level 4 (13 – 17 marks) Mid mark 15	There will be a clear discussion of the relationship between interest rate changes and the rate of inflation. The answer will analyse the effects of interest rates being raised, both positive and negative, and will also consider other factors relevant to the decision as to whether or not to increase interest rates. At the top end, the relationship between the interest rate decision and the target rate of inflation needs to be considered.	
	Level 3 (9 – 12 marks) Mid mark 11	There will be some appreciation of the main issues behind the question, but the analysis is likely only to be partial. Thus there may be a good understanding shown of inflation target-setting and of the relationship between inflation rates and interest rate changes, for example, but little on the possibility of interest rates remaining unchanged, or the downsides of them being raised.	
	Level 2 (5 – 8 marks) Mid mark 7	There may be some appreciation of the main issue behind the question but the answer is likely to lack any convincing analysis of links between interest rates and inflation. Alternatively the answer is likely to spend far too much time on looking at causes of inflation and to fail to offer any real attempt at answering this particular question.	
	Level 1 (1 – 4 marks) Mid mark 3	There is very little evidence shown that the candidate understands that different inflation rates can require different responses, nor is there any real evidence that they have an accurate knowledge of precisely what is involved in inflation target-setting.	

Question	Answer		Marks
5	**Evaluation**		
	Level 3 (6 – 8 marks) Mid mark 7	A good answer is likely to discuss issues such as: • Isn't the rate of inflation a problem in itself? Does it matter that it has just risen from 1.0%? • Is it current inflation that matters to the MPC or expected future inflation? If so, then how is this likely to be affected? • Does the cause of inflation change matter? • Might interest rate policies to deal with inflation conflict with other government objectives? • 'Might other policies – e.g. supply-side policies - be preferable to interest rate changes? There is likely to be a conclusion drawn at the end to explain the candidate's overall view of the statement – even if this is that there is no clear-cut answer.	
	Level 2 (3 – 5 marks) Mid mark 4	One of the above will be discussed in detail or a couple of points touched on, but only in a relatively superficial way.	
	Level 1 (1 – 2 marks) Mid mark 2	Whilst there might be some appreciation that evaluation could be carried out and indeed there might be the odd comment that suggests an area for potential evaluation, it stops there at the comment, and the point is not developed. For example: 'We need to consider whether the increase in inflation is good or bad news.'	

Question	Answer	Marks
6	**'Globalisation may have brought huge benefits, but there have also been costs, including significantly increased inequality both within and between economies.'** **Evaluate this statement.** Candidates should show a good understanding of what is meant by globalisation, and the benefits it has generated and indeed continues to generate. However, there should also be consideration of downsides/costs, including, but not necessarily only, that of growing inequality both within different economies and between them. A good answer would then also attempt to weigh benefits against costs, accepting how difficult this may be. **Answers may include:** **Knowledge** and **understanding** of the meaning of globalisation, to include increasing movements of goods, people and capital between nations, and of what inequality involves both within an economy and between economies. **Application** to include different examples of how globalisation might be thought to have resulted in increased inequality – internally perhaps between workers in growth industries and those in what have become 'sunset' industries, and externally between countries who have particularly benefited from globalisation and others who have not. **Analysis** of the benefits and costs associated with globalisation. Examples: • Explanation of the benefits and costs of growing trade in goods and services between countries. • Explanation of how both gaining and losing countries are affected by movements of labour between countries. • Explanation of the implications of international movements of both short- and long-term capital.	25

Question	Answer	Marks
6	**Evaluation** of the issues involved. Examples: • How can the internal gains be weighed against the internal losses of growing international trade? Over what time period should they be compared? • Can there be unambiguous measurement of inequality within and between countries? • In what sense can growing inequality be regarded as a 'cost' of globalisation? **Theory and analysis**	

Level 4 (13 – 17 marks) Mid mark 15	There is likely to be a clear, precise and accurate explanation of the concept of globalisation, and explanations of both benefits and possible downsides of globalisation in at least two of its main components. In terms of the downsides, there will certainly be consideration of the claim that globalisation results in growing inequality. At the top level, there will be consideration of inequality both within and between economies.
Level 3 (9 – 12 marks) Mid mark 11	There will be reasonable understanding shown of both advantages and disadvantages of globalisation, though explanation is likely to be partial in at least one aspect, and some consideration may be fairly superficial. Similarly, there will be some consideration, but perhaps incomplete, of the link between globalisation and inequality.
Level 2 (5 – 8 marks) Mid mark 7	The answer is likely to be superficial and there will be very limited explanation of the benefits and costs of globalisation. Far too much will be left simply stated rather than explained.
Level 1 (1 – 4 marks) Mid mark 3	There will be little if any relevance. The answer may well talk about globalisation, but almost no knowledge will be shown about possible consequences of it.

Question	Answer		Marks
	Evaluation		
	Level 3 (6 – 8 marks) Mid mark 7	A good answer is likely to discuss issues such as: • Do all countries necessarily suffer some downsides as a result of globalisation? • Are there value judgements involved in assessing the consequences of globalisation? • Is it possible to weigh benefits and costs of globalisation? • Can the impact of globalisation on inequality be accurately assessed? There is likely to be a conclusion drawn at the end to explain the candidate's overall view – even if this is that there is no clear-cut answer.	
	Level 2 (3 – 5 marks) Mid mark 4	One of the above will be discussed in detail or a couple of points touched on, but only in a relatively superficial way.	
	Level 1 (1 – 2 marks) Mid mark 2	Whilst there might be some appreciation that evaluation could be carried out and indeed there might be the odd comment that suggests an area for potential evaluation, it stops there at the comment, and the point is not developed. For example: 'We need to consider whether some people lose out as a result of globalisation.'	