

Candidate 1 commentary

The evidence for has been put together from several different 2018 question paper candidates.

The evidence for this candidate has achieved the following marks for each question of this question paper.

Question 1a(i)

The candidate was awarded **2 marks** because ...

- ◆ They have given the standard market definition, including 'buyers and sellers come together' (**1 mark**) and 'decide price and make exchange' (**1 mark**).

Question 1a(ii)

The candidate was awarded **3 marks** because ...

- ◆ The candidate has given a very clear description of the income effect (**1 mark**), the substitution effect (**1 mark**) and the law of marginal diminishing utility (**1 mark**).

Question 1b(i)

The candidate was awarded **2 marks** because ...

- ◆ This candidate has drawn an accurate demand and supply diagram showing a shift to the right in demand (**1 mark**) and a new equilibrium point as 'EQ₂' (**1 mark**).

The command word is 'draw' and therefore, although this candidate has written about the graph, no text is required.

Graphs that take between 1/3 and 1/2 of the page and have blank space around them are the clearest for marking.

Question 1b(ii) and (iii)

The candidate was awarded **2 marks** for 1b(ii) and **1 mark** for 1b(iii) because ...

- ◆ The candidate has drawn an accurate demand and supply diagram showing a shift to the left in supply (**1 mark**) and a new equilibrium point as 'EQ₂' (**1 mark**).
- ◆ The candidate labelled both diagrams in b(i) and b(ii) accurately (**1 mark**).

The command word is 'draw' and therefore, although this candidate has written about the graph, no text is required.

Graphs that take between 1/3 and 1/2 of the page and have blank space around them are the clearest for marking.

Question 1c

The candidate was awarded **1 mark** because ...

- ◆ The candidate has given a variable cost that is appropriate for Highland Spring in 'raw materials like bottle caps' (**1 mark**).

Question 1d(i)

The candidate was awarded **3 marks** because ...

- ◆ The candidate has given a short description of a quota (**1 mark**).
- ◆ The candidate has given a short description of an embargo (**1 mark**).
- ◆ The candidate has given a short description of a tariff (**1 mark**).

The candidate was not awarded a mark for a subsidy as full marks had been reached.

Question d(ii)

The candidate was awarded **3 marks** because ...

- ◆ The candidate has given protection of infant industries (**1 mark**).
- ◆ The candidate has given limiting harmful products (**1 mark**).
- ◆ The candidate has given reducing the deficit on the balance of payments (**1 mark**).

Question 1e

The candidate was awarded **3 marks** because ...

- ◆ The candidate has described the basket of goods which was given in the question. However, as the candidate has expanded on the point by giving 700 goods in the basket and that it contains goods that the typical family would buy **(1 mark)**.
- ◆ The candidate has given the base year **(1 mark)**.
- ◆ The candidate has given an example of how the inflation is measured against the base year **(1 mark)**.

Question 2a

The candidate was awarded **1 mark** because ...

- ◆ The candidate has given the correct figure of 800,000 **(1 mark)**.

Question 2b

The candidate was awarded **2 marks** because ...

- ◆ The candidate has given the claimant count **(1 mark)**.
- ◆ The candidate has given the labour force survey **(1 mark)**.

As the question asks for two ways, no marks can be given for the development points given in the answer.

Question 2c

The candidate was awarded **3 marks** because ...

- ◆ The candidate has given technological unemployment **(1 mark)**.
- ◆ The candidate has given cyclical unemployment **(1 mark)**.
- ◆ The candidate has given seasonal unemployment **(1 mark)**.

Question 2d

The candidate was awarded **3 marks** because ...

- ◆ The candidate has given less spending on JSA **(1 mark)**.
- ◆ The candidate has given increased tax revenue **(1 mark)**.
- ◆ The candidate has given increased growth **(1 mark)**.

Question 2e

The candidate was awarded **1 mark** because ...

- ◆ The candidate has given the common external tariff **(1 mark)**.

Question 2f

The candidate was awarded **2 marks** because ...

The candidate has linked trade barriers and transport costs. This does not attract a mark as the lack of trade barriers does not specifically affect the cost of transport.

- ◆ The candidate has linked market size and profit **(1 mark)**.

The candidate has linked the ability to expand and job availability. This does not attract a mark as 'more jobs become available' is an advantage to individuals, not to UK firms.

- ◆ The candidate has linked skilled workers and productivity **(1 mark)**.

Question 2g

The candidate was awarded **2 marks** because ...

- ◆ The candidate has linked the cost of exports and their attractiveness **(1 mark)**.
- ◆ The candidate has developed that with getting less sterling per euro exchange **(1 mark)**.

Question 2h(i)

The candidate was awarded **1 mark** because ...

- ◆ The candidate has given an accurate definition of fixed costs **(1 mark)**.

The maximum mark available for this question is 1, therefore there are no further marks awarded for development.

Question 2h(ii)

The candidate was awarded **4 marks** because ...

- ◆ The candidate has drawn the cost curves accurately **(3 marks)** and used the correct axes labels **(1 mark)**.

The graph is clear.

Question 3a(i)

The candidate was awarded **1 mark** because ...

- ◆ The candidate has given income tax **(1 mark)**.

Question 3a(ii)

The candidate was awarded **1 mark** because ...

- ◆ The candidate has given VAT **(1 mark)**.

Question 3b

The candidate was awarded **1 mark** because ...

- ◆ The candidate has given 'budget deficit' **(1 mark)**.

Question 3c

The candidate was awarded **3 marks** because ...

- ◆ The candidate has described transfer payments **(1 mark)**.
- ◆ The candidate has given the example pensions **(1 mark)**.
- ◆ The candidate has given the example job seekers allowance **(1 mark)**.

State pensions are a transfer payment, whilst occupational pensions are not. However, the mark was awarded in this instance.

Question 3d

The candidate was awarded **1 mark** because ...

- ◆ The candidate has linked day to day costs with long term costs **(1 mark)**.

Question 3e

The candidate was awarded **3 marks** because ...

- ◆ The candidate has described primary industry **(1 mark)**.
- ◆ The candidate has described secondary industry **(1 mark)**.
- ◆ The candidate has described tertiary industry **(1 mark)**.

As the question asks for three sectors of industry for 3 marks, no further marks could be awarded for any of the examples given in the answer.

Question 4a

The candidate was awarded **3 marks** because ...

The first point the candidate makes was not awarded a mark because they have given one side of a comparison and finished the sentence 'whereas developing economies do not'.

- ◆ The candidate makes a comparison between secondary and primary sectors **(1 mark)**.
- ◆ The candidate makes a comparison between high and low growth **(1 mark)**.
- ◆ The candidate makes a comparison between low and high FDI **(1 mark)**.

Question 4b

The candidate was awarded **4 marks** because ...

- ◆ The candidate has given creates jobs as an advantage **(1 mark)**.
- ◆ The candidate has given increased business for local contractors as an advantage **(1 mark)**.

The candidate was not awarded a mark for the advantage of bringing new production techniques as full marks for advantages had been reached.

- ◆ The candidate has given future relocation as a disadvantage **(1 mark)**.
- ◆ The candidate has given repatriation of profits as a disadvantage **(1 mark)**.

The candidate was not awarded a further mark for the disadvantage of bringing screwdriver jobs as full marks for advantages had been reached.

Question 4c(i)

The candidate was awarded **1 mark** because ...

- ◆ The candidate has given a definition of an exchange rate using 'value of currency' **(1 mark)**.

Question 4c(ii)

The candidate was awarded **1 mark** because ...

- ◆ The candidate has shown their working and given €11 **(1 mark)**.

Question 4c(iii)

The candidate was awarded **1 mark** because ...

- ◆ The candidate has shown their working and given €1 **(1 mark)**.

Question 5a

The candidate was awarded **4 marks** because ...

- ◆ The candidate drew a correctly labelled market diagram **(1 mark)**.
- ◆ The candidate drew a surplus above equilibrium **(1 mark)**.
- ◆ The candidate drew a shortage below equilibrium **(1 mark)**.
- ◆ The candidate links lowering prices to sell extra stock **(1 mark)**.

The candidate was not awarded a mark for linking raising prices with bidding up as full marks had been reached.

The diagram is readable, although diagrams which take a 1/3 to 1/2 a page are the clearest for marking.

Question 5b

The candidate was awarded **4 marks** because ...

- ◆ The candidate has given good weather **(1 mark)**.
- ◆ The candidate has given health benefits from swimming **(1 mark)**.
- ◆ The candidate has given an increase in income **(1 mark)**.
- ◆ The candidate has given good advertising **(1 mark)**.

Question 5c

The candidate was awarded **2 marks** because ...

- ◆ The candidate has linked profit per unit with increasing supply **(1 mark)**.
- ◆ The candidate has linked higher profits with new firms entering the market **(1 mark)**.

Question 6a(i)

The candidate was awarded **2 marks** because ...

- ◆ The candidate has given the brand name Wonga **(1 mark)**.
- ◆ The candidate has given the brand name Bank of Scotland **(1 mark)**.

Question 6a(ii)

The candidate was awarded **2 marks** because ...

- ◆ The candidate has given the repayment period as their answer **(1 mark)** although it has not written in the format of giving advice.
- ◆ The candidate has given the rate of interest being charged as their answer **(1 mark)** although it has not written in the format of giving advice.

The candidate was not awarded a further mark for which lender to choose as full marks had been reached.

Question 6b

The candidate was awarded **3 marks** because ...

- ◆ The candidate has linked having to pay back more with the loan being more expensive **(1 mark)**.
- ◆ The candidate has linked the ability to buy goods and services with standard of living **(1 mark)**.
- ◆ The candidate has developed the cost of the loan with being discouraged from borrowing **(1 mark)**.

Question 6c

The candidate was awarded **3 marks** because ...

- ◆ The candidate has given unlimited wants **(1 mark)**.
- ◆ The candidate has given limited resources **(1 mark)**.
- ◆ The candidate has given greed as a reason for unlimited wants **(1 mark)**.

Question 7a(i)

The candidate was awarded **2 marks** because ...

- ◆ The candidate has given demand pull inflation **(1 mark)**.
- ◆ The candidate has given cost push inflation **(1 mark)**.

Question 7a(ii)

The candidate was awarded **2 marks** because ...

- ◆ The candidate has given that demand is greater than supply **(1 mark)**.
- ◆ The candidate has given an increased cost of production **(1 mark)**.

The description of an increase in the money supply was too vague to be mark worthy.

Question 7b

The candidate was awarded **2 marks** because ...

- ◆ The candidate has given using brownfield sites **(1 mark)**.
- ◆ The candidate has given offering training programs **(1 mark)**.

The candidate was not awarded a further mark for investing in new technology or for promoting entrepreneurs as full marks had been reached.

Question 7c

The candidate was awarded **4 marks** because ...

The candidate has drawn a simple, clear diagram showing households and firms **(1 mark)**, consumer expenditure **(1 mark)**, factor incomes **(1 mark)** and correctly drawn arrows **(1 mark)**.