

# Commentary on candidate evidence

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

## Questions 3(a)

*Define what is meant by the market for chocolate.*

### Candidate A

The answer was awarded **1 mark** (out of 2) for this question for:

- buyers and sellers of chocolate come together (**1 mark**)
- both price and exchange must be given to gain a mark (**0 marks**)

### Candidate B

The answer was awarded **2 marks** (out of 2) for this question for:

- buyers and sellers come together (**1 mark**)
- price and exchange of chocolate (**1 mark**)

In this question the candidate must refer to 'chocolate' either in relation to buyers and sellers (see Candidate A) or in relation to price and exchange (see Candidate B).

## Question 3(b)

*Draw a market diagram to show the effect of a chocolate manufacturer using upgraded machinery on the market for chocolate bars.*

### Candidate A

The answer was awarded **1 mark** (out of 3) for this question for:

- supply curve shift (**1 mark**)
- there are no axes labels (**0 marks**)
- there is no new price and quantity or equilibrium shown (**0 marks**)

## Candidate B

The answer was awarded **1 mark** (out of 3) for this question for:

- P dotted line does not link to Q dotted line where S and S meet (**0 marks**)
- supply curve shift (**1 mark**)
- new equilibrium is not where D and S<sub>1</sub> meet (**0 marks**)

## Candidate C

The answer was awarded **0 marks** (out of 3) for this question for:

- the horizontal axis label is wrong (**0 marks**)
- the demand curve has been shifted (**0 marks**)
- new equilibrium is wrong (**0 marks**)

## Question 3(c)

*Outline 2 reasons why an individual might borrow from a bank.*

### Candidate A

The answer was awarded **2 marks** (out of 2) for this question for:

- buying property (**1 mark**)
- buying expensive equipment (**1 mark**)
- starting a business (**full marks**)

### Candidate B

The answer was awarded **2 marks** (out of 2) for this question for:

- buying a house (**1 mark**)
- making a large purchase (**1 mark**)

The candidate has unnecessarily written a great deal for an 'outline' answer.

### Question 3(d)

*Other than changes in interest rates, describe 3 factors that may affect an individual's willingness to borrow.*

#### Candidate A

The answer was awarded **3 marks** (out of 3) for this question for:

- ability to repay (**1 mark**)
- having job security (**1 mark**)
- desire for/necessity of product (**1 mark**)

#### Candidate B

The answer was awarded **2 marks** (out of 3) for this question for:

- ability to repay (**1 mark**)
- lack of knowledge of financial products (**1 mark**)

The final paragraph is about a bank's willingness to lend rather than an individual's willingness to borrow.

### Question 4(a)

*Distinguish, using examples, between a need and a want.*

#### Candidate A

The answer was awarded **2 marks** (out of 2) for this question for:

- survival vs preference (**1 mark**)
- food vs new phone (**1 mark**)

## Candidate B

The answer was awarded **1 mark** (out of 2) for this question for:

- shelter vs fancy clothes (**1 mark**)
- the comparison of 'need to survive' vs 'don't need to survive' is a flip (**0 marks**)

## Candidate C

The answer was awarded **2 marks** (out of 2) for this question for:

- survival vs makes life more pleasant (**1 mark**)
- water vs new luxury car (**1 mark**)

By using two 'whereas' statements, the candidate has very clearly shown two distinctions. This style is best practice.

## Question 4(b)

*Describe 2 factors that impact the occupational mobility of labour.*

### Candidate A

The answer was awarded **2 marks** (out of 2) for this question for:

- lack of skills and qualifications (**1 mark**)
- lack of awareness of other industries (**1 mark**)
- cost of retraining (**full marks**)
- lack of awareness of other jobs (**0 marks – repeat**)

In the first paragraph the candidate has bundled skills and qualifications together, however if the two points had been separated and exemplified, two marks would have been awarded.

## Candidate B

The answer was awarded **2 marks** (out of 2) for this question for:

- number of qualifications (**1 mark**)
- number of skills (**1 mark**)

Incentive to change; and availability of information were correct, but the candidate had already achieved full marks.

Accommodation and transport refer to geographical, rather than occupational mobility.

## Question 4(c)

*Explain, using a demand diagram, the effect of a rise in the price of water bottles on the demand for water bottles.*

### Candidate A

The answer was awarded **0 mark** (out of 3) for this question for:

- there is a shift of the demand curve (**0 marks**)
- the horizontal axis label is incorrect (**0 marks**)
- there is no explanation of why consumers will purchase fewer bottles (**0 marks**)

### Candidate B

The answer was awarded **2 marks** (out of 3) for this question for:

- original diagram and labels (**1 mark**)
- there is a shift of the demand curve (**0 marks**)
- linking affordability with a fall in demand (whilst ignoring the 'at every price point' statement) (**1 mark**)

## Candidate C

The answer was awarded **2 marks (out of 3)** for this question for:

- original diagram and labels (**1 mark**)
- a labelled contraction using an arrow between Q and Q<sub>1</sub> (**1 mark**)
- there is no explanation of why there is a contraction of demand (**0 marks**)

## Question 4(d)

*Define the term supply.*

### Candidate A

The answer was awarded **1 mark** (out of 1) for this question for:

- goods and services to sell (**1 mark**)

### Candidate B

The answer was awarded **0 marks** (out of 1) for this question for:

- amount of goods and services that a firm can produce (**0 marks**)

Supply must refer to 'selling' rather than production.

### Candidate C

The answer was awarded **0 marks** (out of 1) for this question for:

- amount firms can produce and sell (**0 marks**)

Supply must refer to 'goods' or 'goods and services'.

## Question 4(e)

*Explain reasons for a supply curve sloping upwards from left to right.*

### Candidate A

The answer was awarded **1 mark** (out of 2) for this question for:

- linking profit motive and moving production to profitable products (**1 mark**)

### Candidate B

The answer was awarded **1 mark** (out of 2) for this question for:

- linking profit motive and new firms entering the market (**1 mark**)

The second paragraph does not make sense.

## Question 5(a)

*Distinguish between direct and indirect taxes, giving one example of each.*

### Candidate A

The answer was awarded **2 marks** (out of 3) for this question for:

- income tax (**1 mark**)
- VAT (**1 mark**)

There is no mark for giving direct taxes are paid 'directly'.

### Candidate B

The answer was awarded **2 marks** (out of 3) for this question for:

- paid straight to the government vs goes through a third party (**1 mark**)
- inheritance tax (**1 mark**)

Taxes on goods like alcohol would need to refer to 'excise duty'.

### **Candidate C**

The answer was awarded **3 marks** (out of 3) for this question for:

- tax on income or wealth vs tax on a good or service (**1 mark**)
- corporation tax (**1 mark**)
- VAT (**1 mark**)

### **Question 5(b)**

***Describe a different reason for the government spending on each of the following areas:***

- *health*
- *education*
- *defence*

### **Candidate A**

The answer was awarded **2 marks** (out of 3) for this question for:

- health – so more people can work (**1 mark**)
- education – create a more employable workforce (**1 mark**)

The final paragraph appears to be referring to the police rather than the armed forces.

### **Candidate B**

The answer was awarded **3 marks** (out of 3) for this question for:

- health – to have a tax paying workforce (**1 mark**)
- education – gain more tax (**0 marks – repeat**)
- education – to attract FDI (**1 mark**)
- defence – to deter invaders (**1 mark**)

The first point about education is a repeat of tax paying workforce that has already been given about health.

## Question 5(c)

*Describe the following terms:*

- *public good*
- *merit good*

### Candidate A

The answer was awarded **1 mark** (out of 2) for this question for:

- public good is non-excludable (**1 mark**)
- merit goods are provided for free (**0 marks**)

Public goods can also be provided for free or for a subsidised fee, so this answer does not distinguish it as a merit good.

### Candidate B

The answer was awarded **1 mark** (out of 2) for this question for:

- public good is non-rivalrous (**1 mark**)
- an inaccurate description of a merit good (**0 mark**)

## Question 5(d)(i)

*From the diagram below, outline why money flows from: households to firms*

### Candidate A

The answer was awarded **1 mark** (out of 1) for this question for:

- households buy from firms (**1 mark**)

### Candidate B

The answer was awarded **0 marks** (out of 1) for this question for:

- the command word asks for an outline, not an identification (**0 marks**)

## Question 5(d)(ii)

*From the diagram below, outline why money flows from: firms to households*

### Candidate A

The answer was awarded **1 mark** (out of 1) for this question for:

- firms pay for labour (**1 mark**)

### Candidate B

The answer was awarded **0 marks** (out of 1) for this question for:

- the command word asks for an outline, not an identification (**0 marks**)

## Question 6(a)(i)

*Calculate the difference in the total price of the components in pounds sterling.*

### Candidate A

The answer was awarded **0 marks** (out of 2) for this question for:

- multiplying rather than dividing in the calculation (**0 marks**)

### Candidate B

The answer was awarded **0 marks** (out of 2) for this question for:

- showing hundreds of thousands rather than millions (**0 marks**)

## Question 6(a)(ii)

*State whether this represents an increase or a decrease in the price paid by the UK car manufacturer.*

### Candidate A

The answer was awarded **1 mark** (out of 1) for this question for:

- increase (**1 mark**)

## Question 6(a)(iii)

*Explain one way the UK car manufacturer might set the price of its cars in the UK in reaction to a fall in the value of sterling against the Euro.*

### Candidate A

The answer was awarded **1 mark** (out of 1) for this question for:

- linking rise in the cost of production with raising prices **(1 mark)**

### **Candidate B**

The answer was awarded **1 mark** (out of 1) for this question for:

- linking rising cost of production with maintaining profit margins **(1 mark)**

### **Question 6(a)(iv)**

*Other than car components, identify one significant UK import.*

#### **Candidate A**

The answer was awarded **1 mark** (out of 1) for this question for:

- electronics **(1 mark)**

### **Question 6(b)**

*Explain reasons why a UK manufacturer may wish to relocate production to an emerging economy.*

#### **Candidate A**

The answer was awarded **2 mark** (out of 3) for this question for:

- linking cheaper labour costs with paying less **(1 mark)**
- linking cheaper materials with paying less **(0 marks – repeat)**
- linking government support with host country's desire for local job creation **(1 mark)**
- no health and safety regulations is not explained **(0 marks)**

## Candidate B

The answer was awarded **2 marks** (out of 3) for this question for:

- linking low wages with cheaper production costs (**1 mark**)
- linking avoiding safety regulations with lower environmental standards (**1 mark**)

## Question 6(c)(i)

*Define the term trading bloc.*

### Candidate A

The answer was awarded **1 mark** (out of 1) for this question for:

- an accurate definition (**1 mark**)
- a second definition (**full marks**)

### Candidate B

The answer was awarded **1 mark** (out of 1) for this question for:

- an accurate definition (**1 mark**)

## Question 6(c)(ii)

*Give an example of a trading bloc.*

### Candidate A

The answer was awarded **1 mark** (out of 1) for this question for:

- European Union (**1 mark**)

BRICS began as an acronym for a group of emerging economies. The BRICS countries could be considered an informal grouping, but not a trading bloc.

## Question 7(a)

*Explain reasons why a country might introduce barriers to trade.*

### Candidate A

The answer was awarded **1 mark** (out of 4) for this question for:

- the point about dangerous items is not explained (**0 marks**)
- linking strategic industries and need for supplies in war (**1 mark**)
- the point about dumping is describing dumping rather than explaining the reason for countries to have trade barriers to stop dumping (**0 marks**)
- Retaliation is not explained (**0 marks**)
- American and Chinese tariffs are not explained (**0 marks**)

### Candidate B

The answer was awarded **0 marks** (out of 4) for this question for:

- the reason for protecting local industries is not given (**0 marks**)
- tariffs are taxes so by their nature earn revenue therefore there is no explanation (**0 marks**)
- ensuring security is too vague as an explanation of stopping harmful products entering the country.

## Question 7(b)

*Describe the following types of aid given to developing countries:*

- *bilateral aid*
- *technical expertise*
- *emergency aid*

### Candidate A

The answer was awarded **3 marks** (out of 3) for this question for:

- bilateral - funds from one country to another **(1 mark)**
- technical – skilled people providing training **(1 mark)**
- emergency – food in a natural disaster **(1 mark)**

In the last point about emergency aid, the candidate wrote enough to avoid just saying emergency aid is given in an ‘emergency’.

### **Candidate B**

The answer was awarded **1 mark** (out of 3) for this question for:

- the description of bilateral aid is inaccurate **(0 marks)**
- technical expertise is about people not about equipment **(0 marks)**
- emergency – help given in a natural disaster **(1 mark)**

### **Question 7(c)**

*Define the term emerging economy.*

#### **Candidate A**

The answer was awarded **1 mark** (out of 1) for this question for:

- having some, but not all, the qualities of a developed economy **(1 mark)**

#### **Candidate B**

The answer was awarded **1 mark** (out of 1) for this question for:

- having rapid increase in economic growth **(1 mark)**
- moving from the primary to the secondary sector **(full marks)**

## Question 7(d)

*From the following list, identify 2 emerging economies:*

- *USA*
- *Angola*
- *China*
- *France*
- *Australia*
- *India*

### Candidate A

The answer was awarded **1 mark** (out of 2) for this question for:

- **USA (0 marks)**
- **China (1 mark)**

### Candidate B

The answer was awarded **1 mark** (out of 2) for this question for:

- **India (1 mark)**
- **Angola (0 marks)**