



Cambridge O Level

ECONOMICS

2281/22

Paper 2 Structured Questions

October/November 2024

MARK SCHEME

Maximum Mark: 90

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.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the October/November 2024 series for most Cambridge IGCSE, Cambridge International A and AS Level components, and some Cambridge O Level components.

This document consists of **25** printed pages.

PUBLISHED**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 descriptions 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.

PUBLISHED**Social Science-Specific Marking Principles
(for point-based marking)****1 Components using point-based marking:**

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

- a** DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
- b** DO credit alternative answers/examples which are not written in the mark scheme if they are correct
- c** DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require n reasons (e.g. State two reasons ...).
- d** DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
- e** DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
- f** DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
- g** DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion)

2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

3 Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

PUBLISHEDCommon examiner annotations on 0455/2281/0987 and 2286

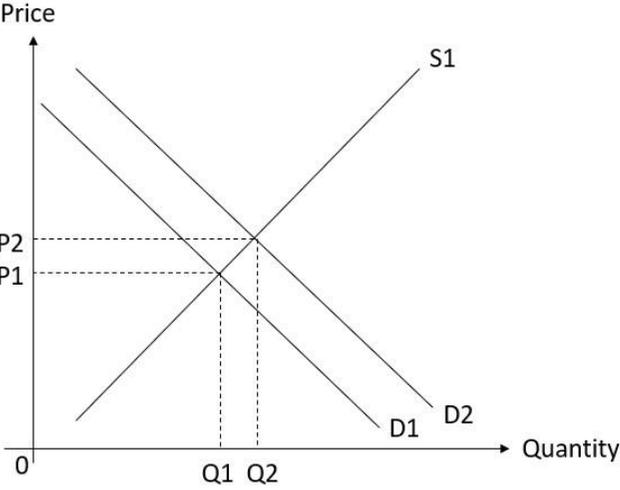
	Uncertain what the candidate means – an illogical line of thought			MAX
	Benefit of the doubt			Not answered question
	Blank page			Not established – a statement made without any support
	Caret – a word is missing.			Repetition
	Confused			SEEN
	Cross			Tick – a credit worthy point
	Highlight			Too vague
	Nothing creditworthy			To be used when a candidate has misidentified a question they have answered e.g.: This is an answer to Q4(c) and not Q5(c) .
	Level 1			
	Level 2			
	Level 3			

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Question	Answer	Marks	Guidance
1(a)	<p>Calculate the percentage of the Jordanian labour force employed in the secondary sector.</p> <p>19% (1).</p>	1	Accept 19.
1(b)	<p>Identify <u>two</u> components of the current account of Jordan's balance of payments.</p> <p>Trade in services (1) primary income (1).</p>	2	<p>If more than two suggested components are given, consider the first three.</p> <p>Accept invisibles for trade in services.</p>
1(c)	<p>Explain the main type of unemployment experienced by Jordan in 2020.</p> <p>Cyclical unemployment (1) lower total demand / fall in employment in most industries / number of workers greater than the number of jobs available (1).</p>	2	<p>Fall in demand is not sufficient here for fall in total demand as total demand is given in the source material – must be macro.</p> <p>Accept 'demand deficient unemployment for cyclical unemployment.</p>
1(d)	<p>Explain <u>two</u> advantages the Jordanian economy may gain from the mergers between its tourism firms.</p> <p>Logical explanation which might include: Lower prices (1) may raise output/GDP/employment/living standards / may be the result of taking advantage of economies of scale (1). Higher quality (1) may raise exports / reduce current account deficit / increase international competitiveness / increase tourism revenue / more foreign currency / may be the result of sharing ideas (1).</p>	4	<p>One mark each for each of two advantages identified and one mark for each of two explanations.</p> <p>Lower prices may be linked to either 'raise output' etc. or 'raise exports' etc. Similarly higher quality may be linked to 'raise exports etc.' or 'raise output etc.'</p>

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Question	Answer	Marks	Guidance
1(e)	<p>Analyse the relationship between birth rate and average age.</p> <p>Coherent analysis which might include:</p> <p>Expected relationship (up to 2 marks): Countries with a low birth rate are likely to have a high average age (1) an inverse relationship / negative relationship / move in opposite directions (1).</p> <p>Supporting evidence (up to 2 marks): Four countries with the lowest birth rates had the highest average age (1) Monaco had the lowest birth rate and the highest average age (1) Niger with the highest birth rate has the lowest average age (1) e.g. Germany has a lower birth rate and a higher average age than Jordan (1).</p> <p>Analysis of expected relationship (up to 2 marks): A low birth rate would mean that children would form a small proportion of the population / a high birth rate may mean children would form a high proportion of the population / it would increase the proportion of people aged over 65 (1). A high birth rate may indicate low living standards / lower income which may be associated with low life expectancy (1). A high average age may mean that there are fewer people of child-bearing age (1).</p> <p>Exception (up to 2 marks): Venezuela or Maldives (1) Maldives had a lower birth rate than Venezuela but the same average age (1).</p> <p>Analysis of exception (up to 1 mark): The average age of a country's population is also influenced by the death rate and net migration (1).</p>	4	<p>Responses do not have to be in the format suggested but they should address the expected/normal relationship, offer supporting evidence of that, highlight any exceptions to that, and analyse the overall data.</p> <p>Accept analysis based on how differences in the average of population may affect the birth rate.</p> <p>For supporting evidence and the second 'exception' mark, comparisons must be made. No marks for just stating the birth rate and average age figures.</p>

Question	Answer	Marks	Guidance
1(f)	<p>Analyse, using a demand and supply diagram, how an increase in population size will affect the market for clothing.</p> <p>Coherent analysis which might include:</p> <p>D&S diagram: Axes correctly labelled – price and quantity or p and q (1). Original demand and supply curves correctly labelled (1). New demand curve shifted to the right (1). Equilibriums – shown by lines P_1 and Q_1 and P_2 and Q_2 or equilibrium points marked as E_1 and E_2 (1).</p> <p>Written analysis: An increase in population size will increase the number of consumers / increase demand for clothes / price increases (1).</p>	5	

Question	Answer	Marks	Guidance										
1(g)	<p>Discuss whether or not the Jordanian government should spend more on renewable energy.</p> <p>Award up to 4 marks for logical reasons why it should, which may include:</p> <ul style="list-style-type: none"> • need for more energy due to an increase in population (1) non-renewable sources of energy will run out / reduced dependency on fossil fuels (1) may reduce import bills (1) • would reduce environmental damage (1) reduce external costs (1) lower pollution (1) reduce extent of climate change / global warming / promote sustainable development (1) improve health (1). • cheaper in the longer run (1) solar and wind power are free goods (1) lower costs of production (1) reduce household bills (1). <p>Award up to 4 marks for logical reasons why it should not, which may include:</p> <ul style="list-style-type: none"> • expensive to build (1) opportunity cost (1) example (1) • relies on weather (1) supplies may be disrupted / insufficient / unreliable (1) • cost of renewable energy projects may increase with high interest • rates (1) may be funded by borrowing (1) may increase taxes (1) • may cause visual pollution (1) e.g. wind turbines (1). 	6	<p>Apply this example to all questions with the command word DISCUSS (1g, 1h, 2d, 3d, 4d and 5d)</p> <p>Each point may be credited only once, on either side of an argument, but separate development as to how/why the outcome may differ is rewarded.</p> <table border="1" data-bbox="1272 486 2027 1050"> <thead> <tr> <th data-bbox="1272 486 1915 552">Generic example</th> <th data-bbox="1915 486 2027 552">mark</th> </tr> </thead> <tbody> <tr> <td data-bbox="1272 552 1915 617">Tax revenue may decrease...</td> <td data-bbox="1915 552 2027 617">1</td> </tr> <tr> <td data-bbox="1272 617 1915 715">...because of reason e.g. incomes may be lower.</td> <td data-bbox="1915 617 2027 715">1</td> </tr> <tr> <td data-bbox="1272 715 1915 850">Tax revenue may increase because incomes may be higher i.e. reverse of a previous argument.</td> <td data-bbox="1915 715 2027 850">0</td> </tr> <tr> <td data-bbox="1272 850 1915 1050">Tax revenue may increase because of a different reason i.e. <u>not</u> the reverse of a previous argument e.g. government spending on subsidies may stimulate the economy more than spending on education.</td> <td data-bbox="1915 850 2027 1050">1</td> </tr> </tbody> </table>	Generic example	mark	Tax revenue may decrease...	1	...because of reason e.g. incomes may be lower.	1	Tax revenue may increase because incomes may be higher i.e. reverse of a previous argument.	0	Tax revenue may increase because of a different reason i.e. <u>not</u> the reverse of a previous argument e.g. government spending on subsidies may stimulate the economy more than spending on education.	1
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1(h)	<p>Discuss whether or not the Jordanian central bank should have raised the rate of interest in 2021.</p> <p>Award up to 4 marks for logical reasons why it should have, which may include:</p> <ul style="list-style-type: none"> • total demand predicted to increase / may have reduced total demand (1) encouraged saving (1) discouraged spending / borrowing (1) lowered demand-pull (1) inflation (1) reduced imports (1) • may have attracted more funds for the Jordanian government to borrow / use (1) for e.g. renewable energy projects (1). <p>Award up to 4 marks for logical reasons why it should not have, which may include:</p> <ul style="list-style-type: none"> • cost of government borrowing would have increased / may have difficulty paying off government debt (1) • investment may have been discouraged (1) lowered economic growth (1) reduced growth in employment / caused unemployment (1) • may have increased the exchange rate (1) foreigners depositing money in the country's banks / attracted hot money flow (1) raised export prices / lowered import prices / decreased exports / increased imports (1) reduced tourism (1) increased the current account deficit (1). 	6	Some points e.g. discouraged spending may be considered from either side but see guidance table on 1f.

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Question	Answer	Marks	Guidance
2(a)	<p>Identify <u>two</u> places where a production point could be located on a PPC diagram.</p> <p>Two from:</p> <ul style="list-style-type: none"> • point inside the curve / left of the curve • point on the curve / along the curve • point outside the curve / right of the curve 	2	<p>The points may be identified on a diagram.</p> <p>Accept below the curve and above the curve.</p>
2(b)	<p>Explain <u>two</u> reasons why someone may switch from eating in one restaurant to eating in another restaurant.</p> <p>Logical explanation which might include:</p> <p>(Change in) prices (1) lower price making it more affordable / substitutes / save money (1). (Change in) quality (1) better ingredients / better cleanliness / quicker service / new menu / more satisfaction / better taste / change in staff (1). (Change in) convenience (1) e.g. longer opening hours / better location (1) (Change in) facilities (1) e.g. better restrooms (1). (Change in) income (1) enabling some to eat in more expensive restaurants (1). (Change in) consumer tastes (1) switch to e.g. vegan restaurant (1) Advertising (1) may attract/persuade customers / increase attractiveness (1). (Change in) quantity provided (1) lower quantity may represent lower value for money (1).</p>	4	<p>One mark each for each of two reasons identified and one mark for each of two explanations.</p>

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Question	Answer	Marks	Guidance
2(c)	<p>Analyse why the wage of a chief executive of a large commercial bank is higher than that of a waiter.</p> <p>Coherent analysis which might include:</p> <p>Chief executive may be more qualified / more educated (1) received more training (1) more skilled / talented (1) more productive (1) more experienced (1) higher level of responsibility / higher level of stress / more demanding job (1) in shorter supply / harder to replace (1) more inelastic supply (1).</p> <p>Chief executive may be in higher demand (1) more inelastic demand (1).</p> <p>Chief executive may have stronger bargaining power (1) may be more likely to be in a trade union / professional body (1).</p> <p>May be less likely to be in a group that is discriminated against (1) e.g. migrant workers (1).</p> <p>Chief executive may work longer hours (1).</p>	6	<p>Note: may also be answered from the point of view why the wage of a waiter may be lower than that of a chief executive.</p> <p>No marks here for banks may be more profitable than restaurants as e.g. a cleaner in a bank may have a lower wage than a waiter.</p>

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2(d)	<p>Discuss whether or not free trade will increase economic growth.</p> <p>In assessing each answer, use the table opposite.</p> <p>Why it might:</p> <ul style="list-style-type: none"> • may enable countries to specialise on what they are best at producing • higher competition may increase productivity and lower costs of production, increasing demand for their products • may enable firms to buy raw materials and capital goods at a lower price • may give firms access to larger markets, enabling them to expand output. <p>Why it might not:</p> <ul style="list-style-type: none"> • may prevent infant industry from growing • may speed up the closure of declining industries • may replace domestic output with imports • may reduce tax revenue • firms may gain monopoly power and may restrict output • firms may engage in unfair competition e.g. dumping. 	8	<table border="1"> <thead> <tr> <th data-bbox="1272 217 1384 268">Level</th> <th data-bbox="1384 217 1912 268">Description</th> <th data-bbox="1912 217 2024 268">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="1272 268 1384 826">3</td> <td data-bbox="1384 268 1912 826">A reasoned discussion which accurately examines both sides of the economic argument, making use of economic information and clear and logical analysis to evaluate economic issues and situations. One side of the argument may have more depth than the other, but overall both sides of the argument are considered and developed. There is thoughtful evaluation of economic concepts, terminology, information and/or data appropriate to the question. The discussion may also point out the possible uncertainties of alternative decisions and outcomes.</td> <td data-bbox="1912 268 2024 826">6–8</td> </tr> <tr> <td data-bbox="1272 826 1384 1150">2</td> <td data-bbox="1384 826 1912 1150">A reasoned discussion which makes use of economic information and clear analysis to evaluate economic issues and situations. The answer may lack some depth and development may be one-sided. There is relevant use of economic concepts, terminology, information and data appropriate to the question.</td> <td data-bbox="1912 826 2024 1150">3–5</td> </tr> <tr> <td data-bbox="1272 1150 1384 1337">1</td> <td data-bbox="1384 1150 1912 1337">There is a simple attempt at using economic definitions and terminology. Some reference may be made to economic theory, with occasional understanding.</td> <td data-bbox="1912 1150 2024 1337">1–2</td> </tr> <tr> <td data-bbox="1272 1337 1384 1422">0</td> <td data-bbox="1384 1337 1912 1422">A mark of zero should be awarded for no creditable content.</td> <td data-bbox="1912 1337 2024 1422">0</td> </tr> </tbody> </table>	Level	Description	Marks	3	A reasoned discussion which accurately examines both sides of the economic argument, making use of economic information and clear and logical analysis to evaluate economic issues and situations. One side of the argument may have more depth than the other, but overall both sides of the argument are considered and developed. There is thoughtful evaluation of economic concepts, terminology, information and/or data appropriate to the question. The discussion may also point out the possible uncertainties of alternative decisions and outcomes.	6–8	2	A reasoned discussion which makes use of economic information and clear analysis to evaluate economic issues and situations. The answer may lack some depth and development may be one-sided. There is relevant use of economic concepts, terminology, information and data appropriate to the question.	3–5	1	There is a simple attempt at using economic definitions and terminology. Some reference may be made to economic theory, with occasional understanding.	1–2	0	A mark of zero should be awarded for no creditable content.	0
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3(a)	<p>Define <i>foreign exchange market</i>.</p> <p>An arrangement / place (1) where different countries' currencies are bought/demanded (1) and sold/supplied (1) one currency is exchanged for another currency (1).</p>	2	
3(b)	<p>Explain <u>two</u> reasons why a firm may adopt labour-intensive production.</p> <p>Logical explanation which might include:</p> <ul style="list-style-type: none"> • Labour may be low in price / wages may be low (1) which might make labour cheaper than capital / there may be a high supply of labour (1). • Labour may be very productive / efficient (1) which can make employment profitable / result in low costs of production (1). • The government may subsidise the employment of workers (1) to reduce unemployment (1). • The firm may provide personal services (1) with individual attention (1). • Labour may be more creative / adaptable / provide feedback (1) produce high quality products / improve methods of production (1) • Labour may be unskilled / low level of education (1) unable to use high-tech capital equipment (1). 	4	One mark each for each of two reasons identified and one mark for each of two explanations.

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3(c)	<p>Analyse how the macroeconomic aims of economic growth and balance of payments stability may conflict.</p> <p>Coherent analysis which might include:</p> <p>Economic growth may increase employment (1) increase wages / incomes / purchasing power (1) this may increase imports (1). Higher consumer spending (1) may encourage firms to switch products to the domestic market (1) reduce exports (1) increase / cause a current account deficit (1). To produce more goods and services, firms may import more raw materials (1) capital goods (1). Economic growth may result in inflation (1) which would make domestic products less price competitive (1). Economic growth may deplete resources (1) increase need for imports (1). Economic growth may be export-led (1) may be achieved by restricting imports (1) result in a current account surplus (1). Migrant workers may send more money home (1). Export-led growth may increase the exchange rate (1) which may increase imports / reduce exports (1).</p>	6	

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3(d)	<p>Discuss whether or not a high level of poverty is likely to exist in a market economic system.</p> <p>In assessing each answer, use the table opposite.</p> <p>Why it might:</p> <ul style="list-style-type: none"> • may be unemployment • lack of welfare benefits • likely to be income inequality • merit goods including healthcare and education may be under-consumed and so underproduced • monopolies may develop resulting in higher prices. <p>Why it might not:</p> <ul style="list-style-type: none"> • competition / profit motive may result in low prices • efficiency is encouraged which can result in high wages and high employment • greater response to changes in consumer demand, may increase economic growth • countries with efficient private sector firms may have relative poverty but low absolute poverty. 	8	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th data-bbox="1272 220 1384 268">Level</th> <th data-bbox="1384 220 1912 268">Description</th> <th data-bbox="1912 220 2058 268">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="1272 268 1384 826" style="text-align: center;">3</td> <td data-bbox="1384 268 1912 826">A reasoned discussion which accurately examines both sides of the economic argument, making use of economic information and clear and logical analysis to evaluate economic issues and situations. One side of the argument may have more depth than the other, but overall both sides of the argument are considered and developed. There is thoughtful evaluation of economic concepts, terminology, information and/or data appropriate to the question. The discussion may also point out the possible uncertainties of alternative decisions and outcomes.</td> <td data-bbox="1912 268 2058 826" style="text-align: center;">6–8</td> </tr> <tr> <td data-bbox="1272 826 1384 1150" style="text-align: center;">2</td> <td data-bbox="1384 826 1912 1150">A reasoned discussion which makes use of economic information and clear analysis to evaluate economic issues and situations. The answer may lack some depth and development may be one-sided. There is relevant use of economic concepts, terminology, information and data appropriate to the question.</td> <td data-bbox="1912 826 2058 1150" style="text-align: center;">3–5</td> </tr> <tr> <td data-bbox="1272 1150 1384 1337" style="text-align: center;">1</td> <td data-bbox="1384 1150 1912 1337">There is a simple attempt at using economic definitions and terminology. Some reference may be made to economic theory, with occasional understanding.</td> <td data-bbox="1912 1150 2058 1337" style="text-align: center;">1–2</td> </tr> <tr> <td data-bbox="1272 1337 1384 1425" style="text-align: center;">0</td> <td data-bbox="1384 1337 1912 1425">A mark of zero should be awarded for no creditable content.</td> <td data-bbox="1912 1337 2058 1425" style="text-align: center;">0</td> </tr> </tbody> </table>	Level	Description	Marks	3	A reasoned discussion which accurately examines both sides of the economic argument, making use of economic information and clear and logical analysis to evaluate economic issues and situations. One side of the argument may have more depth than the other, but overall both sides of the argument are considered and developed. There is thoughtful evaluation of economic concepts, terminology, information and/or data appropriate to the question. The discussion may also point out the possible uncertainties of alternative decisions and outcomes.	6–8	2	A reasoned discussion which makes use of economic information and clear analysis to evaluate economic issues and situations. The answer may lack some depth and development may be one-sided. There is relevant use of economic concepts, terminology, information and data appropriate to the question.	3–5	1	There is a simple attempt at using economic definitions and terminology. Some reference may be made to economic theory, with occasional understanding.	1–2	0	A mark of zero should be awarded for no creditable content.	0
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4(a)	<p>Define an <i>extension in demand</i>.</p> <p>A movement along a demand curve (1) higher demand (1) caused by a fall (1) in price (1).</p>	2	<p>May be shown by a movement down a demand curve caused by a fall in price.</p> <p>Not accepting: an increase in demand but accepting: an increase in quantity demanded.</p>
4(b)	<p>Explain two external costs that may be caused by exploring for oil.</p> <p>Logical explanation which might include:</p> <p>Air pollution / pollution (1) those living nearby may experience a reduction in air quality / contribute to climate change/global warming / reduced health (1). Noise pollution (1) disturbing sleep (1). Water pollution / oil spillage (1) damage health (1). Damage to the natural environment / land / deforestation (1) destroy wildlife habitats / cause global warming / climate change (1). Reduce tourism (1) lower employment (1). Congestion (1) increasing transport costs (1).</p>	4	<p>One mark each for each of two costs identified and one mark for each of two explanations.</p> <p>Reduce tourism may be given as an identification or as an explanation of e.g. 'Damage to the natural environment'</p>

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Question	Answer	Marks	Guidance
4(c)	<p>Analyse how growth in a country's tertiary sector can increase its living standards.</p> <p>Coherent analysis which might include:</p> <p>May have high productivity (1) increase output (1) increase employment / reduce unemployment (1).</p> <p>May pay higher wages (1) allowing workers to consume more goods and services / afford education / afford healthcare / reduce poverty / buy more necessities / buy some luxuries/wants (1).</p> <p>May provide good working conditions (1) less tiring / less physically demanding (1) resulting in good health of workers (1) few accidents (1).</p> <p>May involve expansion of education (1) increasing future employment / workers' skills (1) earning prospects (1) increase quality of output (1) increase HDI value (1).</p> <p>More transport services (1) could reduce prices / lower congestion / reduce stress (1).</p> <p>Growth of entertainment industry (1) improve leisure time (1).</p> <p>May involve expansion of healthcare (1) increase life expectancy / better health (1).</p> <p>May increase tax revenue (1) enabling the government to spend more on e.g. education (1).</p> <p>Less pollution (1) less environmental damage / less climate change / less global warming (1).</p>	6	

Question	Answer	Marks	Guidance		
4(d)	<p>Discuss whether or not workers who lose their jobs are likely to stay unemployed for a long time.</p> <p>In assessing each answer, use the table opposite.</p> <p>Why they might:</p> <ul style="list-style-type: none"> • may lose skills / unskilled workers may have greater difficulty than skilled workers in finding another job • may become out of date with advances in technology / working practices • may be expensive for firms to employ as may need extra training • may lose confidence • may become less attractive to employers • more likely to stay unemployed if a result of cyclical/structural rather than frictional unemployment • may be high unemployment benefits. <p>Why they might not:</p> <ul style="list-style-type: none"> • may receive government training • may be geographically/occupationally mobile • gap between wages and state benefits may encourage the unemployed to seek work • economy may grow, expanding employment opportunities • may leave the labour force, e.g. retire / emigrate • may be seasonally unemployed. 	8	Reward but do not expect reference to hysteresis.		
			Level	Description	Marks
			3	A reasoned discussion which accurately examines both sides of the economic argument, making use of economic information and clear and logical analysis to evaluate economic issues and situations. One side of the argument may have more depth than the other, but overall both sides of the argument are considered and developed. There is thoughtful evaluation of economic concepts, terminology, information and/or data appropriate to the question. The discussion may also point out the possible uncertainties of alternative decisions and outcomes.	6–8
			2	A reasoned discussion which makes use of economic information and clear analysis to evaluate economic issues and situations. The answer may lack some depth and development may be one-sided. There is relevant use of economic concepts, terminology, information and data appropriate to the question.	3–5

Question	Answer	Marks	Guidance		
4(d)			Level	Description	Marks
			1	There is a simple attempt at using economic definitions and terminology. Some reference may be made to economic theory, with occasional understanding.	1–2
			0	A mark of zero should be awarded for no creditable content.	0

Question	Answer	Marks	Guidance		
5(a)	<p>Identify <u>two</u> examples of labour employed in the tourism industry.</p> <p>Two from e.g.</p> <ul style="list-style-type: none"> • tour guides • hotel manager / hotel worker • travel agent • flight attendant • coach / bus driver 	2	<p>Also accept skilled and unskilled.</p> <p>Do not accept driver or car driver on their own. Could accept e.g. a driver who transports tourists,</p>		

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Question	Answer	Marks	Guidance
5(b)	<p>Explain <u>two</u> reasons why countries with a good transport system often have a high GDP.</p> <p>Logical explanation which might include:</p> <p>Lower firms' costs of production (1) cheaper to move goods/imports/exports / move goods/raw materials//imports/exports more efficiently / increase international competitiveness and so increase exports / higher income / increase size of markets / higher total demand (1).</p> <p>Reduce wastage (1) food etc more likely to arrive fresh and so increase earnings for sale of e.g food / higher profits (1).</p> <p>Increase labour mobility / easier to get to work (1) reduce unemployment / increase productivity (1).</p> <p>Less congestion (1) less stress / less time lost (1).</p> <p>Increase (earnings from) tourism (1) cheaper / easier to move around the country (1).</p> <p>Attract MNCs/FDI / increase investment (1) increase employment (1) increase productive capacity (1).</p> <p>Fewer accidents (1) avoid loss of workers / avoid loss of working hours (1).</p> <p>Less pollution (1) healthier labour force (1).</p>	4	<p>One mark each for each of two reasons identified and one mark for each of two explanations.</p> <p>Accept: increase accessibility.</p>

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Question	Answer	Marks	Guidance
5(c)	<p>Analyse the benefits consumers may gain from a competitive market.</p> <p>Coherent analysis which might include:</p> <p>A competitive market has a large number of firms producing the product / no barriers to entry (1) substitutes available (1). Low prices (1) as firms try to gain a larger share of the market / attract consumers / increase purchasing power (1). High quality (1) as competition can increase efficiency (1) increase innovation (1). Choice (1) different versions of the product may be produced / greater range of products / greater variety (1). Responsive to changes in consumer demand (1) consumer sovereignty (1).</p>	6	

Question	Answer	Marks	Guidance											
5(d)	<p>Discuss whether or not an increase in trade union membership will benefit an economy.</p> <p>In assessing each answer, use the table opposite.</p> <p>Why it might:</p> <ul style="list-style-type: none"> • rise in wages and improved working conditions may increase productivity • higher wages may increase total demand which may increase real GDP • improved working conditions would increase living standards • by providing a channel of communication, it may reduce conflicts between workers and employers • by helping with training may raise output. <p>Why it might not:</p> <ul style="list-style-type: none"> • higher wages may increase inflation • may take industrial action e.g. strikes which could lower output / GDP • may resist job losses / introduction of new technology which may prevent increases in efficiency. 		<p>Maximum of L2 4 marks if candidate answers in reverse based on a misinterpretation – an increase in trade union fees.</p> <table border="1" data-bbox="1274 352 2027 1326"> <thead> <tr> <th data-bbox="1279 352 1384 416">Level</th> <th data-bbox="1384 352 1912 416">Description</th> <th data-bbox="1912 352 2022 416">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="1279 416 1384 991">3</td> <td data-bbox="1384 416 1912 991">A reasoned discussion which accurately examines both sides of the economic argument, making use of economic information and clear and logical analysis to evaluate economic issues and situations. One side of the argument may have more depth than the other, but overall both sides of the argument are considered and developed. There is thoughtful evaluation of economic concepts, terminology, information and/or data appropriate to the question. The discussion may also point out the possible uncertainties of alternative decisions and outcomes.</td> <td data-bbox="1912 416 2022 991">6–8</td> </tr> <tr> <td data-bbox="1279 991 1384 1326">2</td> <td data-bbox="1384 991 1912 1326">A reasoned discussion which makes use of economic information and clear analysis to evaluate economic issues and situations. The answer may lack some depth and development may be one-sided. There is relevant use of economic concepts, terminology, information and data appropriate to the question.</td> <td data-bbox="1912 991 2022 1326">3–5</td> </tr> </tbody> </table>			Level	Description	Marks	3	A reasoned discussion which accurately examines both sides of the economic argument, making use of economic information and clear and logical analysis to evaluate economic issues and situations. One side of the argument may have more depth than the other, but overall both sides of the argument are considered and developed. There is thoughtful evaluation of economic concepts, terminology, information and/or data appropriate to the question. The discussion may also point out the possible uncertainties of alternative decisions and outcomes.	6–8	2	A reasoned discussion which makes use of economic information and clear analysis to evaluate economic issues and situations. The answer may lack some depth and development may be one-sided. There is relevant use of economic concepts, terminology, information and data appropriate to the question.	3–5
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