INTRODUCING INTERNATIONAL A-LEVEL ECONOMICS

OXFORD
INTERNATIONAL
AQA EXAMINATIONS

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Purpose of this session

- Our vision for International A-Level Economics

- Overview of the A2 subject content

- Approach to assessment at A2

- Key features of the OxfordAQA International Economics A-level specification

What are the key challenges for your students transitioning from AS to A2?

› Increased demand for evaluation skills

› Essay structuring

› Applying the relevant knowledge from AS to strengthen A2 answers

› Covering all the required points in higher difficulty essay questions

OUR VISION FOR INTERNATIONAL A-LEVEL ECONOMICS

Curriculum development

› Based on the UK A-Level specification developed by AQA (12,200+ candidates / 40% UK market share)

› Developed by experienced subject experts

› Reviewed and revised in response to feedback from centres and Senior Associates

› Materials to support the delivery of the specification produced by subject experts and teachers

Ethos and development

› Modern and relevant

› Develops a firm grasp of fundamental economic concepts and principles

› Apply economic principles in a variety of real-world contexts

› Strong international focus

› Required quantitative skills clearly stated in specification

› Develop core skills that will benefit students in later life

Ethos and development

› Assessment is rigorous but accessible – including ESL students

› Variety of assessment methods – reflects the nature of the subject and provides opportunities for students with different abilities to demonstrate their ability

› Predictable exam structure and will remain the same

› Mark schemes are clear, flexible and not overly prescriptive

› Weight attached to each Assessment Objectives clearly stated and consistent from one exam series to the next

Ethos and development

> No prior knowledge or study required

> Modular: AS can be taken as a stand-alone qualification; or complete A2 units to complete full A-level

> Strong foundation for further study both for those going to university and those who intend to take professional examinations

> Valuable set of skills – even for students not intending to continue studying Economics

Transition AS to A2
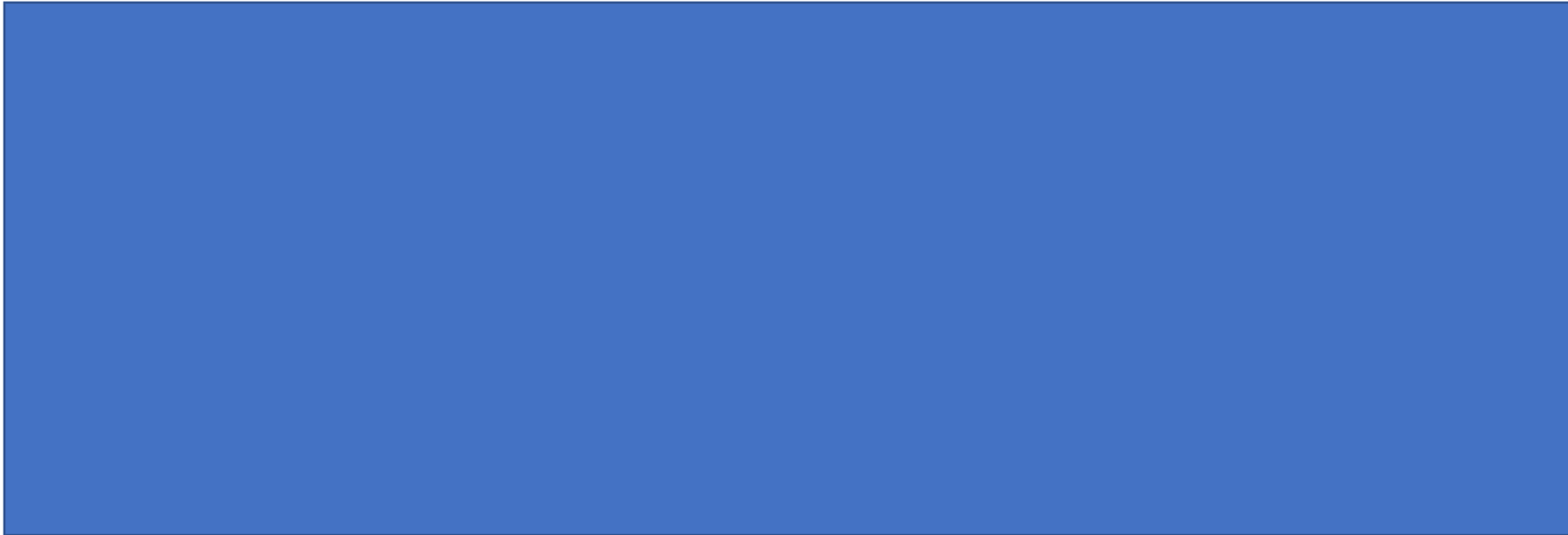
Specification

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**INTERNATIONAL
AS AND A-LEVEL
ECONOMICS**
(9640) Specification

For teaching from September 2020 onwards
For International AS exams May/June 2021 onwards
For International A-level exams May/June 2022 onwards
For teaching and examination outside the United Kingdom of Great Britain and Northern Ireland

> https://oxfordaqaexams.org.uk/subjects/economics

OVERVIEW OF THE A2 SUBJECT CONTENT

Content overview

A2 Microeconomics

Unit 3: The economics of business behaviour and the distribution of income

› The objectives of individuals and firms

› Costs, revenue and profits

› Perfect competition, imperfectly competitive markets and monopoly

› The labour market

› Poverty and inequality

A2 Macroeconomics

Unit 4: Economic development and the global economy

› Globalisation and trade

› The balance of payments, exchange rates and financial markets

› Economic growth and development

Content overview

A2 Microeconomics

Unit 3: The economics of business behaviour and the distribution of income

› The objectives of individuals and firms

› Costs, revenue and profits

› Perfect competition, imperfectly competitive markets and monopoly

› The labour market

› Poverty and inequality

› The following slides cover the main sections of Unit 3, giving a brief overview of the topics they include

› Further detail can be found in the specification document

The objectives of individuals and firms

> The individual as a rational economic decision maker

> Behavioural influences on individual economic decision making

> The objectives of firms

> The growth of firms

Introduces students to:

- Rational economic decision making using utility theory, not indifference curves

- Behavioural economics – the knowledge and understanding expected is clearly stated

- The objectives of firms and how they affect market outcomes

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Costs, revenue and profits

> The law of diminishing returns and returns to scale

> Short-run cost curves

> Long-run cost curves

> Marginal, average and total revenue curves

> Profit

> Technological change

Students will learn how:

- The law of diminishing returns affects the short-run cost curves

- Returns to scale and technological change can affect long-run cost curves

Perfect competition, imperfectly competitive markets and monopoly

> Market structures

> Perfect competition

> Monopolistic competition

> Oligopoly

> Monopoly and monopoly power

> Price discrimination

Understand:

- The significance of interdependence and uncertainty in oligopolistic markets (NOT including game theory)

- Third-degree price discrimination

Perfect competition, imperfectly competitive markets and monopoly continued

> Contestable markets

> The dynamics of competition and competitive market processes

> Static efficiency, dynamic efficiency and resource allocation

> Consumer and producer surplus

> Competition policy

> Public ownership, privatisation, regulation and deregulation of markets

Understanding of the reasons for and general features of competition policy is expected but candidates do not need to know the details of competition policy in any particular country.

The labour market

› The demand for labour, marginal productivity theory

› The supply of labour to different labour markets

› The determination of relative wage rates and levels of employment in perfectly competitive labour markets

› The determination of relative wage rates and levels of employment in imperfectly competitive labour markets

› Discrimination in the labour market

› Minimum wage laws

Understand the effects of monopsony and trade unions on wages and employment in imperfectly competitive labour markets.

Poverty and inequality

› The distribution of income and wealth within an economy

› Government policies to alleviate poverty and to influence the distribution of income and wealth

Understand factors that influence relative wage rates also affect the distribution of income and wealth.

› Content overview

› The following slides cover the main sections of Unit 4, giving a brief overview of the topics they include

› Further detail can be found in the specification document

A2 Macroeconomics

Unit 4: Economic development and the global economy

› Globalisation and trade

› The balance of payments, exchange rates and financial markets

› Economic growth and development

Globalisation and trade

> ### Globalisation

> ### Trade

Students will need to understand:

- Causes and consequences of globalisation, including the environmental impact

- Costs and benefits of trade and different forms of protectionism, including trading blocs

- How to use a numerical example to illustrate the principle of comparative advantage **and** diagrams to illustrate the effects of imposing restrictions on free trade

The balance of payments, exchange rates and financial markets

› The balance of payments

› Exchange rates

› Financial markets

The section on the balance of payments builds on the knowledge and understanding acquired at AS:

- How exchange rates are determined under fixed and floating exchange rate systems and their relative merits

- The role of the main financial markets and their impact on the real economy

Economic growth and development

› Measuring economic growth, development and living standards

› Factors that affect economic development

› Policies to promote development

The section builds on the knowledge and understanding acquired at AS:

- The difference between growth and development
- The different approaches to promoting development and their relative merits

Quantitative skills

3.5 QUANTITATIVE SKILLS

The following quantitative skills could be assessed in any of the assessments:

- QS1 – calculate, use and understand ratios and fractions
- QS2 – calculate, use and understand percentages and percentage changes
- QS3 – understand and use the terms mean, median (for A2 assessments, students will also need to understand and use relevant quantiles)
- QS4 – construct and interpret a range of standard graphical forms
- QS5 – calculate and interpret index numbers
- QS6 – calculate cost, revenue and profit, including average and totals (for A2 assessments, students will also need to calculate marginal values)
- QS7 – make calculations to convert from money to real terms
- QS8 – make calculations of elasticity and interpret the result
- QS9 – interpret, apply and analyse information in written, graphical and numerical forms.

> - Largely the same for AS and A2
> - Differences are highlighted in the specification
> - Level 2 quantitative skills at AS and A2 – i.e. GCSE Maths
> - Assessed through some MCQs and short-answer questions and Q12.2
> - Quantitative skills can also be helpful when answering other questions, e.g. use of diagrams and figures in an essay

Synoptic assessment

› Units 3 and 4 are synoptic and may draw on the subject knowledge specified in other units

› Students will be expected to use the knowledge and skills they have developed in Unit 1 to support their understanding of the concepts, theories and issues introduced in Unit 3

› Students will be expected to use the knowledge and skills they have developed in Units 1 and 2 to support their understanding of the concepts, theories and issues introduced in Unit 4

› Quantitative skills will be assessed in Units 3 and 4

Question: What percentage of your students are considering studying Economics at university?

> Please select the best option from the poll

› THE APPROACH TO ASSESSMENT AT A2

A2 examination

Unit 3: The economics of business behaviour and the distribution of income

What's assessed

Any content from section 3.3 The economics of business behaviour and the distribution of income and section 3.5 Quantitative skills.

Students will be expected to use the knowledge and skills they have developed in Unit 1 to support their understanding of the concepts, theories and issues introduced in Unit 3.

How it's assessed

Written exam: 2 hours

90 marks

30% of the International A-level

Questions

Four compulsory sections:

Section A has multiple choice questions worth 10 marks.

Section B has short answer questions worth 10 marks.

Section C has one data response context with short answer and extended response questions worth 45 marks.

Section D students answer one question, from a choice of two worth 25 marks each.

Unit 4: Economic development and the global economy

What's assessed

Any content from section 3.4 Economic development and the global economy and section 3.5 Quantitative skills.

Students will be expected to use the knowledge and skills they have developed in Units 1 and 2 to support their understanding of the concepts, theories and issues introduced in Unit 4.

How it's assessed

Written exam: 2 hours

90 marks

30% of the International A-level

Questions

Four compulsory sections:

Section A has multiple choice questions worth 10 marks.

Section B has short answer questions worth 10 marks.

Section C has one data response context with short answer and extended response questions worth 45 marks.

Section D students answer one question, from a choice of two worth 25 marks each.

- Same structure for both papers
- Quantitative skills assessed
- 2 hours should provide students with plenty of time
- Separate source booklet

› Assessment Objectives

Same AOs for AS and A2

4.3 ASSESSMENT OBJECTIVES

The exams will measure how students have achieved the following Assessment Objectives.

- AO1: Demonstrate knowledge of terms/concepts and theories/models to show an understanding of the behaviour of economic agents and how they are affected by and respond to economic issues.

- AO2: Apply knowledge and understanding to various economic contexts to show how economic agents are affected by and respond to economic issues.

- AO3: Analyse issues within economics, showing an understanding of their impact on economic agents.

- AO4: Evaluate economic arguments and use qualitative and quantitative evidence to support informed judgements relating to economic issues.

Assessment Objective weightings

Assessment Objectives (AOs)	Unit weightings (approx %)				Overall weighting of AOs (approx %)
	Unit 1	Unit 2	Unit 3	Unit 4	
AO1	6 – 7	6 – 7	6 – 8	6 – 8	24 – 28
AO2	6 – 7	6 – 7	6 – 8	6 – 8	24 – 28
AO3	5 – 6	5 – 6	8 – 10	8 – 10	26 – 30
AO4	3 – 4	3 – 4	6 – 8	6 – 8	18 – 22
Overall weighting of components (%)	20	20	30	30	100

› A2 has greater emphasis on AO3 and AO4 (analysis and evaluation) as students develop their skills and gain greater understanding and maturity

A2 specimen exams and mark schemes

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Assessment resources

Specimen papers and mark schemes

See how our International AS and A-level Economics is assessed, so you can help your students prepare for their exams.

Paper 1: Specimen paper
(PDF, 324 KB)

Paper 1: Mark Scheme
(PDF, 267 KB)

Paper 1: Specimen Source Booklet
(PDF, 84 KB)

Paper 2: Specimen paper
(PDF, 511 KB)

Paper 2: Mark Scheme
(PDF, 289 KB)

Paper 2: Specimen Source Booklet
(PDF, 76 KB)

Paper 3: Specimen paper
(PDF, 294 KB)

Paper 3: Mark Scheme
(PDF, 251 KB)

Paper 3: Specimen Source Booklet
(PDF, 76 KB)

Paper 4: Specimen paper
(PDF, 327 KB)

Paper 4: Mark Scheme
(PDF, 257 KB)

Paper 4: Specimen Source Booklet
(PDF, 76 KB)

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INTERNATIONAL A-LEVEL

ECONOMICS

UNIT 4: ECONOMIC DEVELOPMENT AND THE GLOBAL ECONOMY

SPECIMEN 1

Source Booklet

Extract A: Brazil's trade and exchange rate

Extract B: What has happened to Brazil's economy

Extract C: Inequality and living standards have more to do

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Please write clearly in block capitals.

Centre number [ ][ ][ ][ ][ ]   Candidate number

Surname _____

Forename(s) _____

Candidate signature _____

INTERNATIONAL A-LEVEL

ECONOMICS

UNIT 4: ECONOMIC DEVELOPMENT AND THE GLOBAL ECONOMY

Specimen 1 2019   Morning

Materials
For this paper you must have:
- the source booklet, provided as an insert (enclosed)
- a calculator, which you are expected to use where appropriate.

Instructions
- Use black ink or black ball-point pen.
- Fill in the boxes at the top of the page.
- Answer all questions in **Sections A, B and C**.
- Answer EITHER Question 15 or Question 16 in **Section D**.
- You must answer the questions in the spaces provided.
- Do not write outside the box around each page or on blank pages.
- Do not write in the source booklet.
- If you need extra space for your answer(s), use the lined pages at the end of this book. Write the question number against your answer(s).
- All working must be shown.
- Do all rough work in this book. Cross through any work you do not want to be marked.

Information
- The marks for questions are shown in brackets.
- The maximum mark for this paper is 90.
- You may use a bilingual dictionary for this exam.
- You may **not** use an English dictionary.

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**INTERNATIONAL
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ECONOMICS**

(9640)
Mark scheme

Unit 4: Economic development and the global economy
Specimen 1 2019

https://oxfordaqaexams.org.uk/subjects/economics/
international-a-level-economics-9640

Exam structure

> Structure the same in both A2 papers:

>> Section A: Ten multiple choice questions (10 marks)

>> Section B: Short answer questions (10 marks)

>> Section C: Three data response questions based on source material provided (45 marks)

>> Section D: One question from a choice of two (25 marks)

Section A: Multiple Choice Questions (Qs 1–10)

Only **one** answer per question is allowed.

For each question completely fill in the circle alongside the appropriate answer.

CORRECT METHOD [●]   WRONG METHODS [⊗] [◉] [⊜] [✓]

If you want to change your answer you must cross out your original answer as shown.

If you wish to return to an answer previously crossed out, ring the answer you now wish to select as shown.

> Clear instructions on how to complete MCQs

> Suitable and accessible for all students, especially ESL students

> Consistent, reliable marking

Section A: Multiple Choice Questions (Qs 1–10)
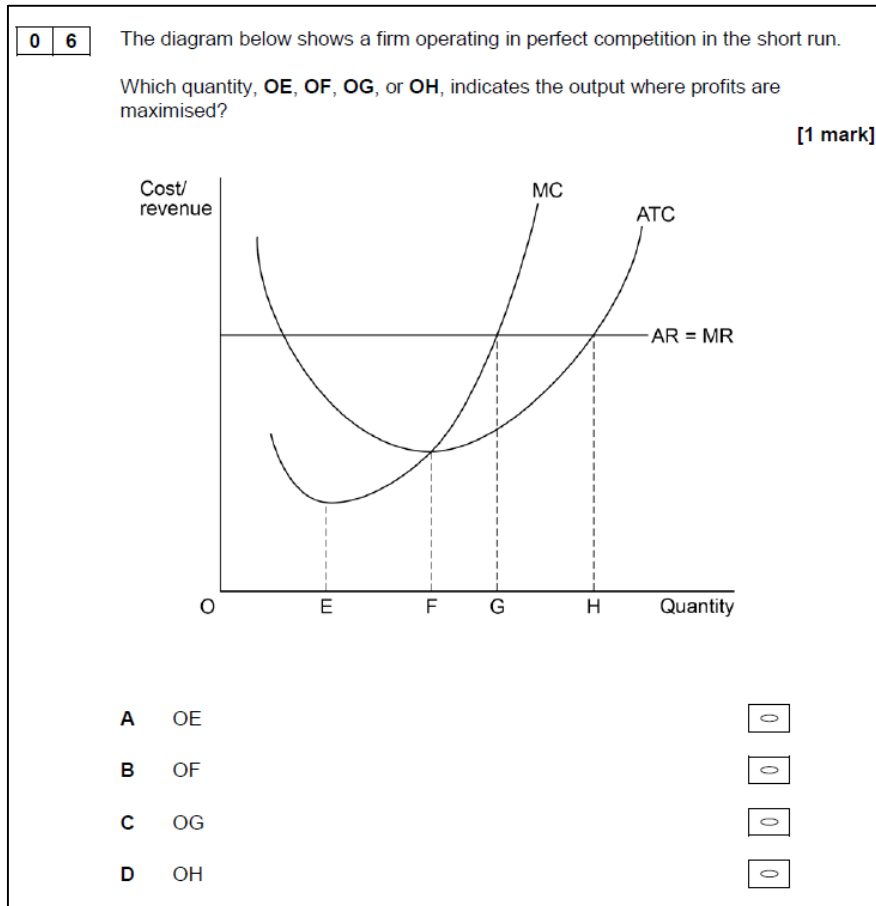
> MCQs included at A2 in response to feedback from centres

> In line with UK AS and A-level Economics specifications

> Can be used to test AO1, AO2 and AO3

> Can be used to test quantitative skills (as in this example)

› Section B: Short answer questions

Clear, simple instructions

Section B

Answer **all** questions in the spaces provided

1 1 The table below shows the units of utility an individual derives from eating sweets.

Number of sweets	Total utility	Marginal utility	Average utility
1	20		20
2	36		
3		10	
4	54		
5		1	
6		-1	
7		-5	

1 1 . 1 Define 'marginal utility'.

[2 marks]

1 1 . 2 Calculate the marginal utility from the 4th sweet consumed.

You are advised to show your working.

[2 marks]

1 1 . 3 Calculate the average utility when 7 sweets are consumed.

You are advised to show your working.

[2 marks]

1 1 . 4 Explain, using a diagram, the hypothesis of diminishing marginal utility.

[4 marks]

Candidates advised to show their workings, but full marks would be awarded for a correct answer even if workings aren't shown

6 out of the 10 marks are for quantitative skills

Appropriate amount of space for student response

35

Section B: Short answer questions

Question	Part	Marking guidance	Total marks
11	1	**Define 'marginal utility'.**	2
			AO1=2
		A full and precise definition is given (2 marks)	
		Example of an acceptable definition worth 2 marks:	
		• the change in total satisfaction when one more/one fewer item is consumed.	
		The substantive content of the definition is correct, but there may be some imprecision or inaccuracy (1 mark)	
		Examples of definitions worth 1 mark:	
		• utility is the satisfaction obtained from consuming a good/service (defines utility correctly)	
		• marginal is the change when one more/one fewer item is consumed (defines marginal correctly).	

Level of response mark scheme

Exemplar answers provided but these are just examples, to be used as guidance – alternative valid responses are rewarded

Section B: Short answer questions

Question	Part	Marking guidance	Total marks
11	3	**Calculate the average utility when 7 sweets are consumed.** Calculation: Total utility from 7 sweets = 54+1-1-5 = 49 Average utility = 49/7 = 7	2 AO1=1 AO2=1

Response	Max 2 marks
For the correct answer: 7 (with or without working shown)	2 marks
For the correct calculation of the total utility derived from consuming 7 sweets **OR** For the correct method but with the wrong answer	1 mark

Calculation is shown

Full marks for correct answer, regardless of method

Method marks are available

Section B: Short answer questions

Question	Part	Marking guidance	Total marks
11	4	**Explain, using a diagram, the hypothesis of diminishing marginal utility.**	4 AO1=2 AO2=2

Level	Marks	Descriptor
2	3–4	• shows good knowledge and understanding of the hypothesis of diminishing marginal utility • includes a relevant diagram that will, at the top of this level, be accurate and used appropriately
1	1–2	• shows some limited knowledge and understanding of the hypothesis of diminishing marginal utility • may include a relevant diagram but the diagram is not used and/or is inaccurate in some respects
	0	No creditworthy material

Indicative content:

The expected diagram involves a downward sloping MU curve, otherwise the shape of the curve doesn't matter, for example, a downward-sloping straight line is acceptable. Also accept a bar chart, where the height of the bars is decreasing as the quantity consumed increases.

The diagram does NOT have to include the numbers or the dotted lines, but these may assist the linked explanation.
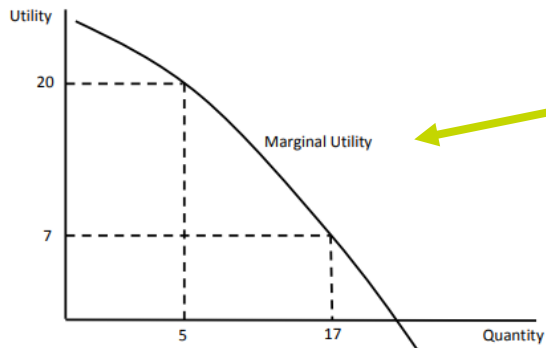
Acceptable vertical axis labels include: Utility, Marginal Utility, Satisfaction

Acceptable horizontal axis labels include: Quantity, Consumption

An example of an acceptable explanation:

The hypothesis states that as more units of a product are consumed, the extra satisfaction obtained from each extra unit consumed falls. In the diagram, this is shown by a downward-sloping MU curve, illustrating that each extra item provides less satisfaction than previous items. For example, in the diagram the 5th item gives 20 units of utility whereas the 17th item gives 7 extra units of utility.

Credit valid alternative content.

MAXIMUM FOR QUESTION 11: 10 MARKS

Indication answers provided to exemplify mark scheme, but valid alternative content is rewarded

If necessary, specific guidance given to examiners

Where diagrams are required, a suitable example is provided

Acceptable axes labels indicated

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› Section C: Data Response Questions

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UNIT 4: ECONOMIC DEVELOPMENT AND THE GLOBAL ECONOMY

SPECIMEN 1

Source Booklet

Extract A: Brazil's trade and exchange rate

Extract B: What has happened to Brazil's economy?

Extract C: Inequality and living standards have improved but there is more to do

Do not write in this source booklet.

This document will be destroyed after the exam

› Three DRQs on each A2 paper

› Extracts in separate source booklet – easier for candidates to refer to during the exam

› All sources will be based around a single theme

› All extracts are clearly labelled for easy referencing

› Includes line numbers and, when helpful, explanatory notes

› Candidates are not be expected to have any prior knowledge of source material

Section C: Data Response Questions

Extract A: Brazil's trade and exchange rate

Figure 1 Brazil's balance of trade in goods and services 2012 to 2018, US$ million

Year	Balance of trade in goods and services
2012	-22 749
2013	-45 984
2014	-54 736
2015	-19 261
2016	+14 590
2017	+30 178
2018	+19 637

Source: The Central Bank of Brazil, accessed June 2019

Figure 2 Brazilian Real v US dollar exchange rate, 2012 to 2018
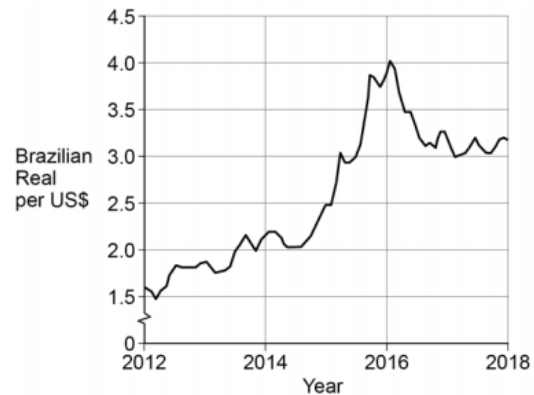
Note: The data in the chart show the number of Brazilian Real (the currency of Brazil) that can be bought with one US dollar.

Source: Trading Economics, accessed June 2019

- First extract will include statistical/numerical/ graphical data

- First DRQ will be based on this extract

- Data could also be helpful for the other questions

Section C: Data Response Questions

Extract B: What has happened to Brazil's economy?

The economy of Brazil is the world's ninth largest when ranked by nominal GDP. It is a mixed economy with the value of its natural resources estimated as being worth US$21.8 trillion. From 2000 to 2010, Brazil was one of the fastest-growing large economies, with an average annual growth rate of over 5%. However, growth started to slow in 2011 and the country experienced a serious two-year recession in 2015-16 which saw real GDP fall by almost 7%. The recovery has been slow, with growth of only 1.1% in 2017 and 2018. Growth in 2019 is expected to remain sluggish, at less than 1.5%. Investment in Brazil has remained low, affected by the large amount of spare capacity, poor business confidence and uncertainty about the future growth of both the Brazilian and world economies.

1

5

10

Brazil's current account of its balance of payments is deteriorating and the deficit is expected to be about 1.5% of GDP in 2019. Nevertheless, its external position is strong because it has substantial foreign exchange reserves and benefits from large inflows of forei... preserve its competi... external shocks.

Unemployment incre... 12.7% of the labour... under-employed, wo...

Some commentators... harmed Brazil's eco... 77% in 2018. The bu... before falling back t... the deficit, but this h... economic recovery i...

Extract C: Inequality and living standards have improved but there is more to do

Brazil experienced a period of economic and social progress between 2003 and 2014. Inequality declined significantly and more than 29 million people were taken out of poverty. The Gini coefficient fell from 58.1 to 51.5. Real income of the poorest 40% of the population increased by an average of 7.1%, compared to a 4.4% increase in income for the population as a whole. However, since 2015, the pace of poverty and inequality reduction has stagnated.

1

5

Reducing the budget deficit is the most pressing economic challenge facing Brazil but to improve living standards, it also needs to increase investment in infrastructure and raise productivity. Compared to many similar economies, investment in infrastructure is low at 2.1% of GDP. Brazil also needs to spend more on its public sector health and education systems to improve the service provided. Many of those on higher incomes send their children to private schools and pay for private health care.

10

Over the past decade, Brazil has attracted larger net FDI inflows than most other emerging market economies. However, it continues to impose many restrictions on international trade. Whilst these can help to protect and support the growth of domestic firms, they limit competition and can lead to low productivity growth, inefficiency and high costs.

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Source: News reports, 2019

> Second and third extracts will link to the same theme

> Support candidates' answers to the other two questions

Section C: Q12

12

Extract B (lines 14-15) states: 'Its floating exchange rate helps to preserve its competitiveness in foreign trade'.

12.1 Explain why the value of the Brazilian Real is likely to affect Brazil's balance of trade in goods and services.

[4 marks]

12.2 To what extent do the data suggest that the value of the Real has affected Brazil's balance of trade in goods and services between 2012 and 2018? Use the data in **Extract A** to support your answer.

[4 marks]

› Two-part question

› 4 marks for each part:
   › 12.1 assesses ability to analyse quantitative evidence (AO3)
   › 12.2 assesses ability to use this analysis to make informed judgements (AO4)

› Tests understanding of an important economic theory

› Same two-part structure and same skills as Q18 on the AS papers – familiar to students

Section C: Q13

> **1 3** **Extract B** (line 8) states: 'Investment in Brazil has remained low'.
>
> Explain factors that may have affected the level of investment in Brazil in recent years.
>
> **[12 marks]**

> Command word is 'Explain' so question has an emphasis on AO3

> 12 marks

Section C: Q14

> Section C: Q14

1	4	**Extract C** (lines 5-6) states: 'since 2015, the pace of poverty and inequality reduction has stagnated'.
		Evaluate policies the Brazilian government might adopt to develop its economy to improve the wellbeing of its people.
		[25 marks]

> Essay style response

> Tests all four AOs

> Command word 'Evaluate' means students have to arrive at some kind of judgement (AO4)

> 25 marks

Section C: Mark schemes

Question	Part	Marking guidance	Total marks
13		Extract B (line 8) states: 'Investment in Brazil has remained low'.	12
		Explain factors that may have affected the level of investment in Brazil in recent years.	AO1=3 AO2=3 AO3=6

Examiners are reminded that AO1, AO2 and AO3 are regarded as interdependent. When deciding on a mark all should be considered together using the best fit approach. In doing so, examiners should bear in mind the relative weightings of the Assessment Objectives. More weight should therefore be given to AO3 than AO1 and AO2.

Level	Marks	Descriptor
3	9–12	• is well organised and develops one or more of the key issues that are relevant to the question • shows sound knowledge and understanding of relevant economic terminology, concepts and principles • includes good application of relevant economic principles and/or good use of data to support the response • includes well-focused analysis with a clear, logical chain of reasoning • includes a relevant diagram that will, at the top of this level, be accurate and used appropriately
2	5–8	• includes one or more issues that are relevant to the question • shows reasonable knowledge and understanding of economic terminology, concepts and principles but some weaknesses may be present • includes reasonable application of relevant economic principles and/or data to the question • includes some reasonable analysis but it might not be adequately developed and may be confused in places • may include a relevant diagram
1	1–4	• is very brief and/or lacks coherence • shows some limited knowledge and understanding of economic terminology, concepts and principles but some errors are likely • demonstrates very limited ability to apply relevant economic principles and/or data to the question • may include some very limited analysis but the analysis lacks focus and/or becomes confused • may include a relevant diagram but the diagram is not used and/or is inaccurate in some respects
	0	No creditworthy material

Indicative content:

• definition of investment
• distinction between public and private sector investment
• explanation of why the existence of spare capacity may have reduced investment
• explanation of why business confidence may have dampened investment expenditure
• explanation of why the recession and expectations of low growth may have reduced investment
• explanation of the accelerator theory and how it relates to low investment in Brazil
• explanation of why deteriorating public finances may have resulted in a fall in public sector investment
• the importance of FDI – evidence from the extracts suggest that this may have prevented investment in Brazil falling even further.

Credit valid alternative content.

Same approach for all questions, and similar to many other questions at AS and A2 – familiar for students and teachers so should improve consistency and accuracy of marking

AOs and their weighting clearly stated

Level of response mark scheme

Indicative content provided, but valid alternative content rewarded

› Section D: Essay response question

Section D

Answer **either** Question 15 or Question 16.

Fill in the circle below to indicate which optional question you have answered.

Question [1] [5] [○]   Question [1] [6] [○]

CORRECT METHOD [●]   WRONG METHODS [✗] [◉] [⊜] [⊄]

[1] [5] Copper mining is vital for the health of Zambia's economy; it accounts for 85% of the country's exports. Concerns remain that the economy is not diversified enough to cope with a collapse in the world market price of copper.

Assess the effects of fluctuations in the price of a primary commodity, such as copper, for the economy of a country that derives a high proportion of its export earnings from the sale of a single primary commodity.

[25 marks]

OR

[1] [6] Globalisation of the world economy has resulted from improvements in transport and communication, leading to the growth in world trade, international capital flows and migration.

Discuss the costs and benefits of globalisation for a country of your choice.

[25 marks]

› Students answer ONE question from a choice of two

› No source material – but introduction provides some direction

› Tests all four AOs

› Three possible command words: Assess, Discuss, Evaluate

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Section D: Mark schemes

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Question	Part	Marking guidance	Total marks
16		Globalisation of the world economy has resulted from improvements in transport and communication, leading to the growth in world trade, international capital flows and migration. Discuss the costs and benefits of globalisation for a country of your choice.	25 AO1=4 AO2=3 AO3=9 AO4=9

Examiners are reminded that AO1, AO2, AO3 and AO4 are regarded as interdependent. When deciding on a mark all should be considered together using the best fit approach. In doing so, examiners should bear in mind the relative weightings of the Assessment Objectives in this question. More weight should therefore be given to AO4 and AO3 than AO1 and AO2.

Level	Marks	Descriptor
5	21–25	**Sound, focused analysis and well-supported evaluation that:** • is well organised, showing sound knowledge and understanding of economic terminology, concepts and principles with few, if any, errors • includes good application of relevant economic principles to the given context and, where appropriate, good use of data to support the response • includes well-focused analysis with clear, logical chains of reasoning • includes supported evaluation throughout the response and in a final conclusion.
4	16–20	**Sound, focused analysis and some supported evaluation that:** • is organised, showing sound knowledge and understanding of economic terminology, concepts and principles but some minor errors may be present • includes some good application of relevant economic principles to the given context and, where appropriate, some good use of data to support the res • includes some well-focused analysis with clear, logical chains of reasonin • includes some reasonable, supported evaluation.
3	11–15	**Some reasonable analysis but generally unsupported evaluation that:** • focuses on issues that are relevant to the question, showing satisfactory knowledge and understanding of economic terminology, concepts and pri but some weaknesses may be present • includes reasonable application of relevant economic principles to the giv context and, where appropriate, some use of data to support the respons • includes some reasonable analysis but which might not be adequately de or becomes confused in places • includes fairly superficial evaluation; there is likely to be some attempt to relevant judgements but these aren't well-supported by arguments and/or
2	6–10	**A fairly weak response with some understanding that:** • includes some limited knowledge and understanding of economic termino concepts and principles is shown but some errors are likely • includes some limited application of relevant economic principles to the g context and/or data to the question • includes some limited analysis but it may lack focus and/or become confu • includes some evaluation which is weak and unsupported.
1	1–5	**A very weak response that:** • includes little relevant knowledge and understanding of economic termino concepts and principles • includes application to the given context which is, at best, very weak • includes attempted analysis which is weak and unsupported.

Indicative content:

• the characteristics of a globalised world economy
• the causes of globalisation
• the costs and benefits of the growth in the volume of international trade for the chosen country
• the benefits of trade as illustrated by the principle of comparative advantage
• ability to achieve economies of scale resulting from export opportunities
• more competition leading to efficiency, innovation and reduction in monopoly power
• destruction of some inefficient domestic producers
• structural unemployment
• may act as a barrier to diversification, stifling the growth of infant industries
• benefits of being able to import products from around the world
• benefits of a large world export market
• impacts of the growth of transnational corporations on the chosen country
• the impacts of enlarged FDI flows
• the consequences of the growth of other international capital flows, eg for the country's exchange rate
• ability to access overseas capital markets
• the consequences of technological changes that have facilitated globalisation
• the impact of technology transfers
• the impacts of the growth of international migration on the chosen country
• growing interdependence and the transmission of economic shocks from one part of the world economy to another
• vulnerability to problems in international financial markets
• environmental and social consequences
• impact on inequality and poverty in the chosen country
• overall impact on growth, development and living standards in the chosen country.

The use of relevant diagrams to support the analysis should be taken into account when assessing the quality of the candidate's response to the question.

Credit valid alternative content.

› Same approach to mark schemes as other extended questions

› Level of response

› Indicative content

KEY FEATURES
OF OXFORDAQA
A2 ECONOMICS

Curriculum structure at A2

- Two units: microeconomics and macroeconomics

- Synoptic requirement is specified

- Each A2 unit 30% of A-level grade

- A2 60% of A-level (AS 40%)

- Detailed guidance on required knowledge and skills

- Quantitative skills clearly stated

Course content

> Modern, up-to-date content:

>> Aspects of behavioural economics

>> Emphasis on environmental consequences of economic activity

>> Inclusion of financial markets

>> Inequality with and between economies

>> Role of markets and governments

> Fundamental economic concepts and principles

> Apply economic principles to a wide variety of real-world contexts

> Strong international focus

THANK YOU

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Still have questions?

> The presentations and recordings from this global conference will be shared with everyone who registered

> You can contact Stuart Luker or anyone from OxfordAQA via the 'Contact Us' page on our website:

> https://www.oxfordaqaexams.org.uk/contact-us/