Qualification Accredited

OCR
Oxford Cambridge and RSA

A LEVEL

Exemplar Candidate Work

ECONOMICS

H460
For first teaching in 2015

H460/02 Macroeconomics
Summer 2017 examination series

Version 1

Contents

Introduction	3
Section A	**4**
Question 1(a)	4
Question 1(b) (i)	5
Question 1(b) (ii)	6
Question 1(c) (i)	8
Question 1(c) (ii)	9
Question 1(d)	10
Question 1(e)	13
Section B	**17**
Question 2	17
Question 3	26
Section C	**33**
Question 4	33
Question 5	43

Introduction

These exemplar answers have been chosen from the summer 2017 examination series.

OCR is open to a wide variety of approaches and all answers are considered on their merits. These exemplars, therefore, should not be seen as the only way to answer questions but do illustrate how the mark scheme has been applied.

Please always refer to the specification (http://www.ocr.org.uk/Images/170839-specification-accredited-a-level-gce-economics-h460.pdf) for full details of the assessment for this qualification. These exemplar answers should also be read in conjunction with the sample assessment materials and the June 2017 Examiners' Report to Centres available on the OCR website http://www.ocr.org.uk/qualifications/.

The question paper, mark scheme and any resource booklet(s) will be available on the OCR website from summer 2018. Until then, they are available on OCR Interchange (school exams officers will have a login for this).

It is important to note that approaches to question setting and marking will remain consistent. At the same time OCR reviews all its qualifications annually and may make small adjustments to improve the performance of its assessments. We will let you know of any substantive changes.

Section A

Question 1(a)

Distinguish between disinflation and deflation. **[2]**

Exemplar 1 – 2 marks

Disinflation is when prices are rising but so there is still inflation but they are rising at a lower rate than previous years so they rate of inflation is falling. Deflation is the persistent fall in the price level as ~~the value of~~ it is a persistent fall in the value of goods and services **[2]**

Examiner commentary

The candidate demonstrates a strong understanding of both terms: disinflation and deflation. They have correctly identified that disinflation is a fall in the rate at which the price level is increasing. They have given a succinct answer for a low tariff question.

Exemplar 2 – 0 marks

Disinflation is when the price level in an economy is actually decreasing between the period being measured whereas deflation is when inflation is still occuring just at a slower rate than the last period it was measured over **[2]**

Examiner commentary

The candidate has a confused understanding of the difference between disinflation and deflation.

Question 1(b)(i)

Using Table 1, calculate which country had the highest real interest rate in 2015. **[1]**

Exemplar 1 – 1 mark

Country Soum Africa → real interest rate of 4.9%

.... [1]

Examiner commentary

The candidate identifies the correct country: South Africa. A numerical value wasn't necessary.

Exemplar 2 – 2 marks

Country Turkey

.... [1]

Examiner commentary

The candidate identifies an incorrect country. They have identified the country with the highest nominal interest rate rather than calculating the real rate of interest.

Question 1(b)(ii)

Using Table 1, explain which central bank would have been most likely to have engaged in quantitative easing. **[3]**

Exemplar 1 – 3 marks

The UK central bank would have been most likely to engage in quantitative easing as their inflation rate was closest to 0, so they were at the most risk of deflation. They also had a low interest rate which should have increased consumption and investment as it's cheaper to borrow thus larger marginal propensity to consume and more investment shifting AD causing ~~inflation~~ inflationary pressure. As this still didn't occur because inflation was **[3]** low they would have had to use quantitative easing to increase money supply to stimulate AD that way, as interest rates wouldn't have had an effect as they were in the liquidity trap.

Examiner commentary

The correct country is identified (UK) for one mark. Two reasons explained for further two marks; one linked to the inflation rate and the second to the interest rate as per the mark scheme.

The candidate achieved full marks half way through their answer, they didn't need to continue. It is important that candidates write more succinctly in low tariff questions, using the answer space provided as a guide.

Exemplar 2 – 1 mark

~~The UK would have~~ Russia would have implemented quantitative easing due to the ~~p~~ country having such a high inflation rate compared to their inflation target which would incentivise consumers to not spend on goods which means there will be no money going into the economy. The ~~banks will then~~ central bank will then ~~p~~ electronically print money in order to stimulate spending or taking out mortgages and loans from the bank

[3]

Examiner commentary

The correct country is identified (Russia) for one mark. The candidate incorrectly links this to a high inflation rate, rather than the lowest rate caused by quantitative easing (QE). The candidate has misinterpreted the question, answering why QE might need to be used, rather than which country has used QE.

Question 1(c)(i)

Using Fig. 2, explain which country had the most even distribution of income. **[2]**

Exemplar 1 – 2 marks

Country Sweden had the most even distribution of income because its curve was the closest to the Lorenz curve meaning income was more evenly distributed as its ~~was to~~ curve is closer to the curve of perfect equality. [2]

Examiner commentary

The candidate correctly identifies Sweden as the country with the most even distribution of income (one mark) and uses evidence from Fig.2 to explain why (one mark).

Exemplar 2 – 1 mark

Country ~~[illegible]~~ Sweden as it shows the most equal distribution of income ~~as the majority are evenly spread out~~

[2]

Examiner commentary

The candidate correctly identifies Sweden as the country with the most even distribution of income (one mark) but should have used Fig. 2 to explain their answer. This was necessary for the second mark as per the mark scheme.

Question 1(c)(ii)

Using Fig. 2, calculate what percentage of income the second lowest 20% of income earners received in the UK. Show your workings. **[2]**

Exemplar 1 – 2 marks

A

the second lowest 20% (so more people between 40% and 20%) ~~count around~~ earnt:

22 - 19 = 13%.

(around 13%

.... [2]

Examiner commentary

The candidate correctly calculates the answer (13%) for one mark. They also demonstrate their workings for the second mark as per the mark scheme.

Exemplar 2 – 0 marks

Gini = $\frac{A}{A+B}$ $\frac{20}{20+35} \times 100 = 36.36\%$

.... [2]

Examiner commentary

The candidate recognised that they had to use the 20% of income earners but were unsure how to calculate the second lowest 20%. A better understanding of percentage calculations was needed for credit to be gained.

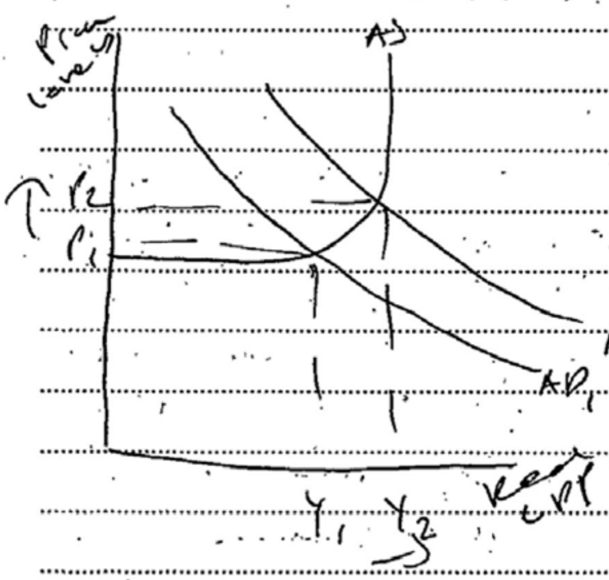
Question 1(d)

Evaluate to what extent a fall in the price of oil would cause inflation in oil exporting countries. **[8]**

Exemplar 1 – Level 2 – 8 marks

(d) Evaluate to what extent a fall in the price of oil would cause inflation in oil exporting countries.

When the price of oil ~~[illegible]~~ falls, it means that ~~[illegible]~~ oil exports become more internationally price competitive. Exports become relatively cheaper so foreign consumers switch from their spending and instead buy ~~[illegible]~~ domestic exports so export revenue rises. ~~[illegible]~~ Also, domestic consumers switch away from foreign imports ~~[illegible]~~ to cheaper oil in ~~[illegible]~~ the domestic country so import expenditure falls. As exports have risen and imports fallen net exports (x - m) will rise, along with consumption causing AD to shift right from AD to AD2. Thus causes demand pull inflation of P1 to P2. Also as there is economic growth and output increases, the derived



[8]

Examiner commentary

The candidate's analysis works through the transmission mechanism (impact on net exports and the consequence on AD) for two chains of reasoning, which is supported by an explained diagram, and linked to inflation. There are two further chains of reasoning, all underpinned by analysis of the component(s) of AD and the consequence for AD. The answer is linked back to the question about inflation.

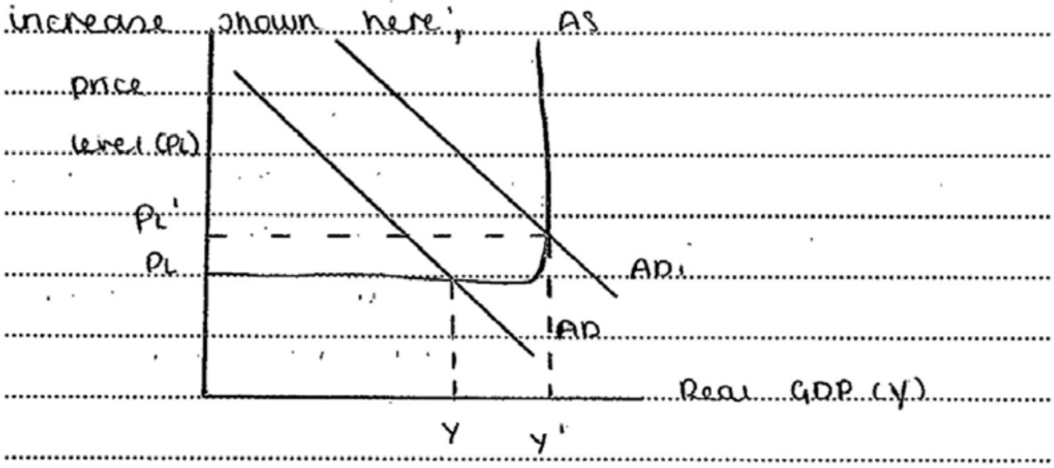
Evaluation follows from prior arguments and is underpinned by appropriate theoretical analysis.

The final part of the answer isn't credited but it has no impact on the overall quality of the response.

Exemplar 2 – Level 1 – 4 marks

(d) Evaluate to what extent a fall in the price of oil would cause inflation in oil exporting countries.

If there was a fall in the price of oil this is likely to increase ~~aggregate~~ demand for it as it's an inelastic good that can be bought up in stock reserves for the future. Therefore, within oil exporting countries the aggregate demand for their goods will then increase shown here:



This AD increase if not balanced with a similar increase in AS will therefore increase the price level from PL to PL1, indicating inflation.

However, the extent to which this may actually happen depends on how inelastic oil really is because demand may not increase which therefore won't increase aggregate demand at all or that much and using the keynesian AD curve this may ~~&~~ leave the equilibrium on the elastic section which won't increase price level. [8]

(continued)

(1) (d) Overall, the extent to which inflation is likely to occur in oil exporting countries is therefore reliant on the elasticity of the good and whether the price change is sufficient enough to alter demand and if there is enough spare capacity within the oil exporting economies to increase aggregate supply to meet aggregate demand.

Examiner commentary

Some confusion in the first paragraph. The candidate has incorrectly stated that oil is an "inelastic good" – it is worth must reminding students that they need to use "a good with price inelastic demand".

There is some attempt to analyse the consequence of a fall in the price of oil for AD and a diagram is correctly used with some explanation but there are no subsequent chains of argument linking back to inflation.

The candidate recognises the extent of any change in AD depends on the price elasticity of demand for oil but there is some confused use of demand/aggregate demand and they don't support their analysis with appropriate theoretical analysis.

The final paragraph is a summary of prior arguments and is not credited.

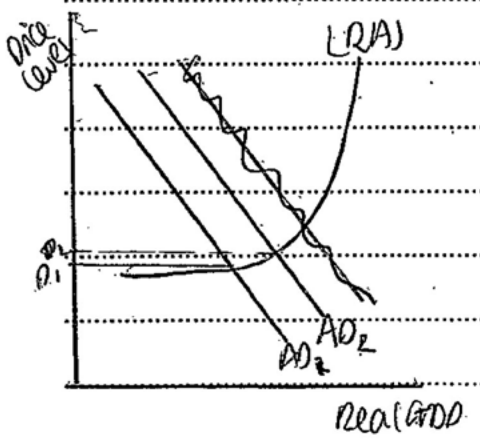
Students should be advised to write judgements in their conclusions rather than summaries that are not awarded any marks.

Question 1(e)

Using Fig. 1, evaluate whether increasing the funds banks have available to lend will reverse a deflationary spiral. **[12]**

Exemplar 1 – Level 3 – 12 marks

Increasing the banks funds have available to lend by ~~be~~ increasing money supply through purchasing bonds ~~will~~ will increase liquidity and means banks will ~~more~~ have more funds available to loan. If they do this it means they can charge ~~cheap~~ lower ~~inter~~ interest rate ~~to encourage~~ as to encourage borrowing and will be more willing to lend. This should result in more consumers borrowing from the bank ~~to purchase~~, for example a mortgage or other types of borrowing which encourages more consumption in the economy. This will shift AD from AD_1 to AD_2 as shown below



The effect of this is an increase in price level from P_1 to P_2, even if it is only small, to reduce the risk of a ~~deflation~~ deflationary spiral by increasing demand.

It also means that firms find it cheaper to borrow to invest ~~and~~ and with banks increased willingness to lend ~~causes~~ causes there to be more investment in the economy which will

have the same effect on AD as shown above.
It also means the government can borrow from
private sector banks to fund their spending ~~and a~~
as banks are more willing thus increasing ~~gover~~
government spending and as it's a component of AD
have the same effect. ~~By firms increasing investmen~~
~~it could also increase~~ ~~...~~ the increasing banks
funds by the process of quantitative easing is also
a good way to reverse the deflationary ~~cycle~~
spiral ~~...~~
as it might be more effective than in changing
the base rate if ~~the~~ demand for money was
in the ~~...~~ liquidity trap. This is ~~...~~ [12]

Examiner commentary

Four chains of reasoning making effective use of aggregate demand and supply analysis by relating it to components of AD and an explained diagram resulting in strong analysis.

The candidate continues by evaluating the reasons why increasing access to funds might not result in reversing a deflationary spiral, their argument about liquidity and the lack of confidence contains sequential chains of reasoning, weighing why a deflationary spiral may and may not be reversed and including a valid supported judgement about the need for alternative policy measures, such as government expenditure.

Exemplar 2 – Level 2 – 5 marks

Increasing the funds banks have available to lend will reverse a deflationary spiral due to the the banks can now lend out money that will provide consumers more mortgages to them which is a stable loan and can be done without much difficulty. This will then allow consumers to start to buy houses that are ~~to~~ ~~being~~ wanted to be bought by the consumer. As more people are in ~~to~~ need for houses or can now start to buy a house then firms will need to increase output which will increase employment rates as there will be a need of workers in order to build the houses that are ~~to~~ going to be bought as consumers that are looking for houses need to see the house that is being built. This increases ~~of~~ aggregate demand due to consumer spending increasing due to them wanting to buy houses, this will then allow the banks to loan more mortgages out which increases the amount of money needed to be paid back to them. The increase in funds will lead to the banks being able to increase the amount of money being put into the economy as housing prices will start to rise which will ~~cause~~ reverse the deflationary spiral.

However, this will take a long time to do, there is a time lag as the firms creating houses will need to train those who are ~~ob~~ in need of a job due to health and safety reasons, there ~~too~~ may not be ~~a~~ spare capacity in terms of land, so houses just cannot be built anywhere which will take time to figure out, where to build the other houses. Also the banks may not use that money they have been given to ~~g~~ lend out to, they could use it to pay off their balance score cards. When QE

occurs, this can happen to what banks do in the real world in order to not lend at the money but keep it for themselves, so it won't have an effect on the deflationary spiral.
In conclusion, increasing funds banks ~~to~~ are able to lend will reverse a deflationary spiral as it ~~~~ creates demand for mortgage loans ~~and can now be used to~~ which will ~~will implement~~ incentivise building firms to employ more workers and then increase output of houses. This will increase aggregate **[12]** demand which will reverse the deflationary spiral.

Examiner commentary

The candidate has made an attempt at a sequential chain of reasoning but doesn't effectively use aggregate demand and aggregate supply analysis. Their answer could have been improved by showing an understanding of the relevant macroeconomic concepts.

There is some awareness that increased funds may not be given out as loans but instead used to shore up banks balance sheets but this isn't underpinned by considered economic reasoning or use of macroeconomic models. The conclusion summarises previous points, no supported judgement.

Section B

Question 2

At the start of 2016, Singapore had an unemployment rate of only 3.4%. This compared with an unemployment rate of 10.7% for the Eurozone.

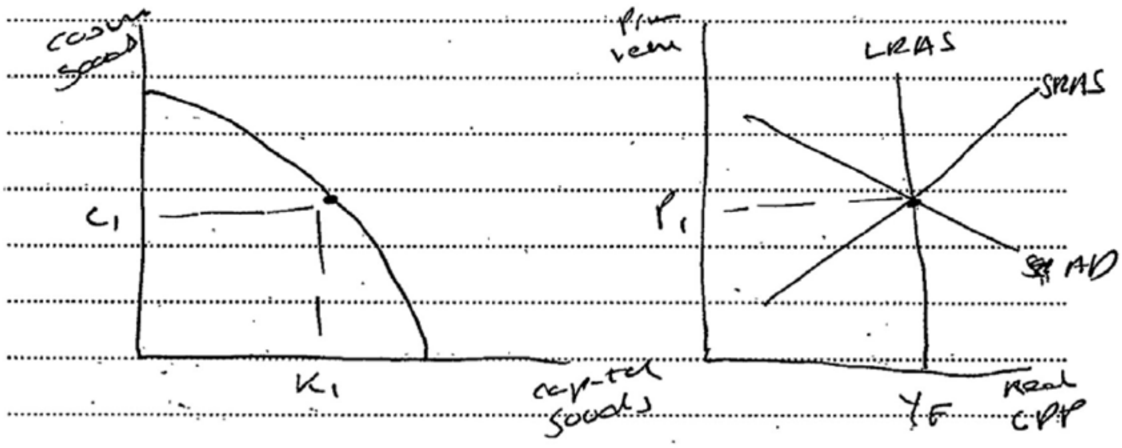
Evaluate, with the use of an appropriate diagram(s), whether achieving full employment will always benefit an economy. **[25]**

Exemplar 1 – Level 5 – 25 marks

Question No. 2

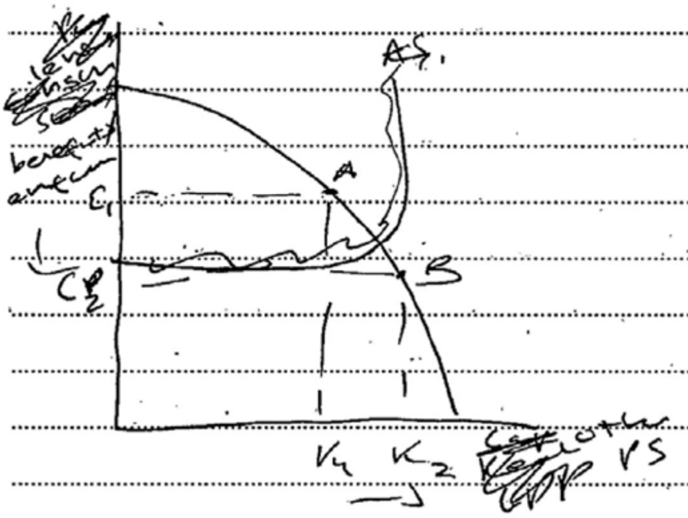
Full employ good	bad
→ FPC → PPF	→ in neo classical only good if demand stays constant
↳ factor & ~~economy~~ eff	→ command ↑ wages
↳ everyone has a job → income	→ inflation → Phillips curve
↳ car	→ informal sector
↳ no crime rates	→ still no income equality
	→ Easterlin Paradox
	conc: Only with SS policy

Full employment is defined by having no ~~demand~~ demand deficient unemployment ~~[illegible]~~ (cyclical). thus only supply side unemployment exists. It is not 0%, but roughly above near 4%. as there will always be workers ~~[illegible]~~ frictionally unemployed and in between jobs. Having full employment means that



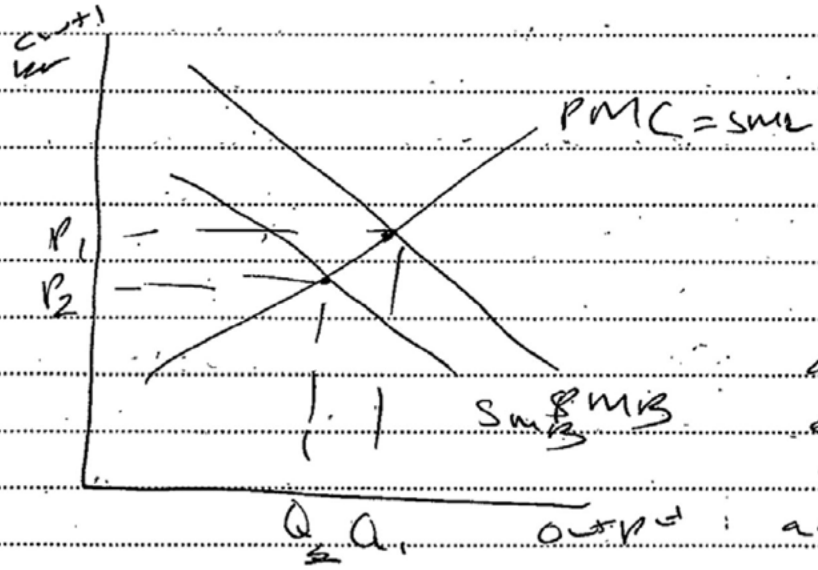
the economy is working at it's full productive capacity ~~meaning~~ and thus there is factor and economic efficiency. When everyone has a job it means that consumption is high, investment is high, ~~and~~ AD is high and economic growth is high. When there is full employment it means that the government's ~~will~~ have ~~less~~ more to spend ~~and~~ budget position will improve as tax revenue is high and government spending on benefits is low.

Furthermore, understanding why full employment will always benefit an economy ~~depends upon whether~~ can be shown through why unemployment is bad. ~~Stats~~ Studies show unemployment is positively correlated with crime rates, ~~thus~~ thus government spending on law enforcement is low. This improved budget position means the governments



as can invest in other public sectors like education and ~~training~~ training which may help gain ~~an increase in the~~ ~~past~~ long term benefits eg economic growth, high expected mean schools, high literacy and life expectancy and GNI per capita this development will also improve in the long run.

Furthermore, when there is full employment and crime rates, it means a reduction in demerit goods ~~and~~ which have negative externalities like drug use,



where the welfare loss is abolished and allocative efficiency is achieved at Q*

In addition, ~~the~~ when everyone is employed and the number of people in absolute and relative poverty are minimised, it means that the Lorenz curve

Examiner commentary

The candidate achieves full marks. There is a clear plan that enables the candidate to produce a logical, balanced discussion.

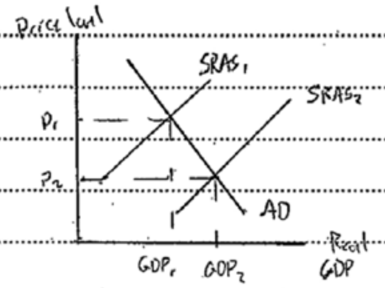
Analysis effectively uses the aggregate demand and supply model, arguments build on one another to move analysis forward and a range of key performance indicators are incorporated to give breadth as well as depth to the answer. The candidate addresses both the benefits of full employment in the short and long term. Diagrams (both macro and micro) are correctly drawn and their explanation is integral to the candidate's analysis.

Exemplar 2 – Level 3 – 12 marks

Question No ...2......

Full employment is a situation in an economy where everyone who is willing and able to work is in employment.

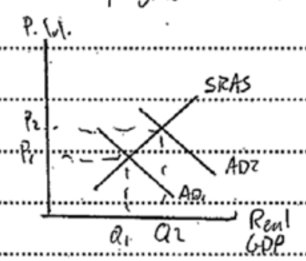
Full employment can benefit an economy such as Singapore for many reasons. When an economy is in full employment, the level of tax revenue gained from direct taxes such as income tax will increase. With this higher level of tax revenue, the govt. can spend more in the economy such as in education and training to increase workers efficiency, resulting in more output and growth. This can be shown on a diagram.



With workers being more efficient, they produce more, shifting SRAS right from SRAS₁ to SRAS₂. This results in growth from GDP₁ to GDP₂ as there is more goods/services in the economy. This also lowers inflation from P₁ to P₂ as it reduces costs of production.

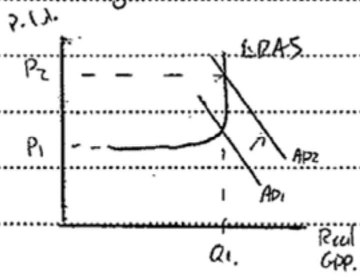
As well as these benefits, spending on education/healthcare will increase development according to the Human Development Index.

Full employment can also increase AD,



With more people in employment, consumers have higher levels of disposable incomes. This results in increased consumer spending and therefore increased AD, this shift AD₁ to AD₂

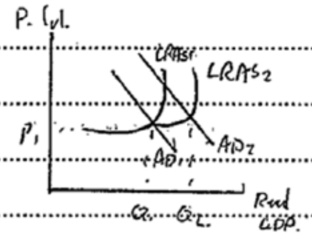
and results in a economic growth from Q1 to Q2.
There is also an increase in development due to 'happiness' levels increasing as everyone who wants a job has one.
However, full employment may also lead to problems in the long run for an economy.



According to Keynesians, in the long run LRAS is completely inelastic when full employment levels are reached. Because of this, any increase of AD from AD1 to AD2 means that there will be no growth of GDP in a country, therefore GDP remains at Q1. However after this shift in AD will result in high inflation from growth from P1 to P2. This may result in other drawbacks for the economy such as a low purchasing power parity.

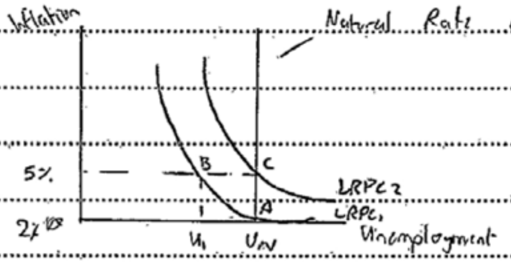
Another draw-back of full employment may be the results of the country becoming internationally uncompetitive. If a country cannot increase Real GDP and ∴ economic growth past Q1 but other countries can, then this will mean that the country will be growing at a much slower rate, therefore becoming internationally competitive.
However, in the long run, if LRAS can be shifted by increasing population the level of spare capacity available in

an economy, there may still be non inflationary growth



If population is increased by immigration LRAS1 shifts right to LRAS2. This means that a new level of ~~basic~~ full employment can be reached. This means that there is spare capacity available and growth from Q1 to Q2 while the price level remains at P1.

Full employment may result in higher inflation in an economy due to expectations of inflation by consumers / firms and the Natural Rate of unemployment



Here, there is a decrease in unemployment from UN to U1, this ~~mean~~ because of the phillip's Curve, this means there will be a trade-off which increases ~~ma~~ inflation from 2% to 5% ~~at~~ from point A to point B. However in the long run, an economy will always ~~return~~ to return to the natural rate of unemployment of UN. This is ~~NR~~ because people revise their expectations. This results in a shift of the LRPC

cont. on extra paper.

Examiner commentary

The candidate begins by defining full employment. Essays are now marked holistically, there are no direct marks given for a definition but it is a way of demonstrating knowledge and understanding. Students should be encouraged to get on with answering the question.

The candidate analyses the benefits of higher tax revenue but it is a shame that they don't use the LRAS diagram to explain the benefits of this further.

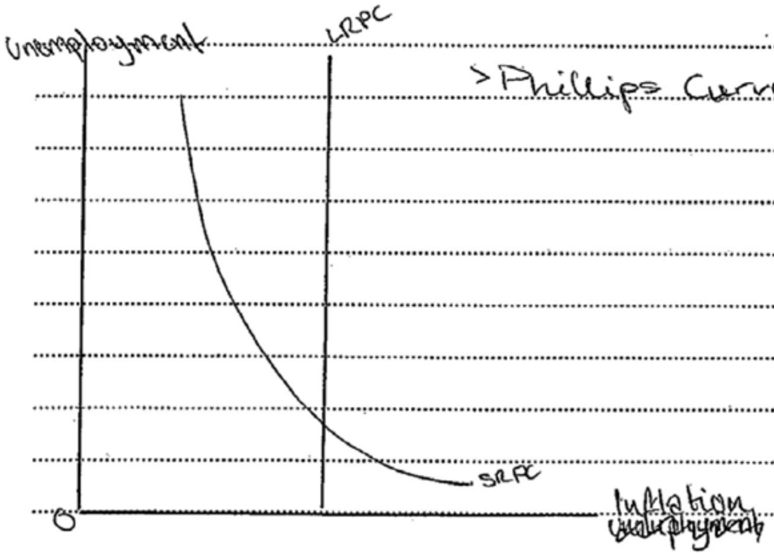
Their next argument doesn't address the question, they need to remain focused on 'full employment' although they do return to the question later on but demonstrating the consequence of a rise in AD on GDP at the point of full employment.

There is some attempt at evaluation of the consequences for inflation rates if the LRAS curve shifts to the right. There is also some use of the Phillips curve.

There final conclusion is too vague and unsubstantiated for evaluation marks.

Exemplar 3 – Level 2 – 6 marks

Question No 2



We can look at the Phillips curve to argue the point given. The Phillips curve shows the trade off between Unemployment and Inflation. When theres a decrease in unemployment there is an increase in inflation, this is because of more people earning money and so ~~then~~ there is more disposable income. This is an example where conflicts occur when trying to achieve aims. So would achieving full employment be the best move? According to the Philips Curve, no, however when we look at other areas of the economy we may see possitives to achieving full employment. ~~But~~

Full employment means that the government's money situation will be much better off as they wont be paying benefits, such as 'Job seekers allowence' and so will be saving money here also there will be more people paying tax to the government.

Singapore was one of the four 'asian tigers', it was an economy which grew extreamly quickly and at a sustained level and by 2016 had an unemployment rate of only 3.4%, they also don't have issues with inflation, so could ~~t~~perhabs be argued that the philips curve is true up to a point, when we move into the long run (shown as LRPC on diagram) we see no relationship between inflation and unemployment.

When an economy is at full employment it does benefit a lot as, if ~~the~~ firm/s are producing their goods and services efficiently at full potential output then the economys GDP will increase at a good steady rate.

I think you could definately say that reaching full employment will definately come with benefits for an economy however mainly in the long run rather than the short run.

Examiner commentary

The candidate uses the Phillips curve to evaluate the benefits of full employment but doesn't offer a logical chain of reasoning; a stated point is made only.

This is followed by two separate stated points about the benefits to the government and economic growth but the points aren't connected or used to further the analysis beyond reasonable but rather narrow arguments. The candidate doesn't fully engage with the question.

Question 3

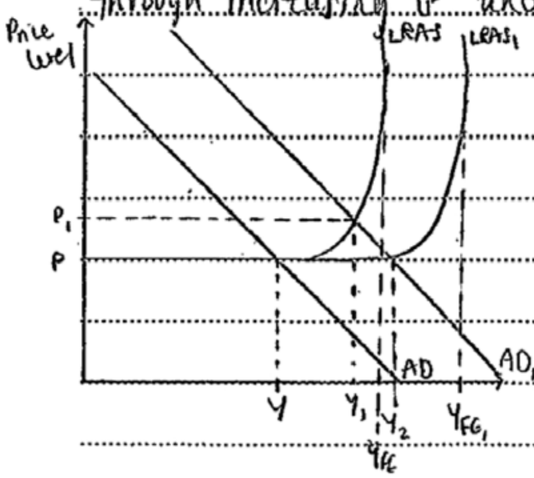
It was estimated that Greece had an output gap equivalent to 10% of potential GDP in 2015.

Evaluate, with the use of an appropriate diagram(s), whether fiscal policy will always reduce a negative output gap. **[25]**

Exemplar 1 – Level 5 – 25 marks

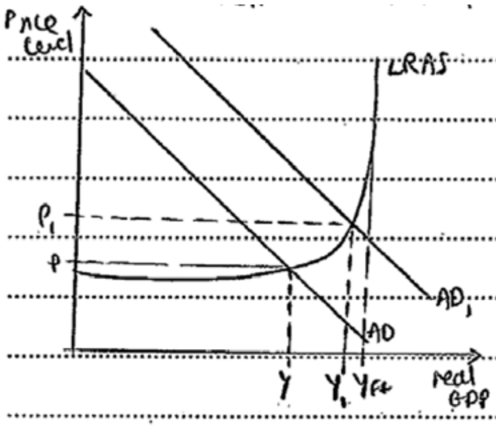
Question No 3

A negative output gap is the difference between actual and potential growth when actual growth is below potential growth. Fiscal policy is when government changes government spending (G) or tax rates. To reduce the output gap it's likely the government will use expansionary fiscal policy to increase aggregate demand (AD). The can do this through increasing G and seeing as this is a component of AD



it will lead to a rise in AD and a reduction in the output gap by raising GDP from Y to Y_1, moving equilibrium closer to full employment at Y_{FE}. However, if the G is on ~~something~~ a policy like improving education, in the short run AD may rise but in the long run so will LRAS as it will improve the quality and quantity of labour so LRAS will move from LRAS to $LRAS_1$. This means that the output gap will be relatively unchanged, depending on the size of the shift in AD and LRAS.

Another expansionary fiscal policy would be to reduce income tax. This would increase people's disposable incomes and therefore will encourage consumption and potentially investment, two components of AD. Therefore AD will shift from AD to AD_1. Therefore, real gdp will



rise from Y to Y_1 reducing the output gap from $(Y_{FE} - Y)$ to $(Y_{FE} - Y_1)$. However, the extent of this change depends on the size of the multiplier $\left(\frac{1}{mpw}\right)$. If the tax reductions were for example ~~the~~ increasing the tax free allowance for low income households it would be more effective than reducing the top rate of ~~tax~~ income tax as low income households have a larger marginal propensity to consume than higher income households. This would mean the shift in AD would be larger and the output gap would be reduced by more.

Furthermore government may also reduce corporation tax in order to stimulate growth in AD as this would encourage I as they would have larger retained profits. This would also lead to a rise in AD. It could also help increase employment as firms will ~~ha~~ have more profits to use to expand output this would increase C as more people would have incomes to spend. However if there's lots of uncertainty in an economy like in Greece, this may not encourage firms to expand output as they may not expect ~~AD to rise~~ ~~p~~ demand for their product to rise in the future. Also if interest rates are high, ~~as~~ if firms are borrowing as well as using retained profits to invest the rise in retained profits may not be enough to stimulate investment.

On the other hand, reducing taxes or increasing government spending can worsen the government budget deficit, this in the long run will lead to contractionary fiscal policy as government will have to spend money on paying for debt, this has an opportunity cost as this could be spent elsewhere. Seeing as the government will have to pay off this debt, ~~they will~~ ~~probably~~ any rise in AD would be unsustainable as in the future tax rates will rise and C and I will fall alongside that. But if in the short run the expansionary fiscal policy increases ~~peoples~~ economic agent's confidence and reduces uncertainty a return to higher taxes in the future may be balanced out by ~~an~~ the confidence of economic agents.

Furthermore expansionary fiscal policy often leads to investment in improving the quality or quantity of factors of production. This will lead to a rise in LRAS which would increase the negative output gap of an economy. Therefore the effect of fiscal policy on the output gap depends on ~~the~~ which sectors of the economy see a rise in spending. If there's increased G on welfare then AD will shift out and LRAS is likely to be unchanged.

In conclusion, fiscal policy can be very effective in increasing AD as it increases many components of AD, ~~Therefore~~ and a rise in AD reduces the output gap. But the reduction of the output gap will depend on the marginal propensity to withdraw, ~~as~~ as if households disposable income rises due to a tax cut then the impact of this on AD depends on the multiplier. In the UK they've recently raised the tax free allowance and this had a big impact on AD and therefore spare capacity as the MPC of low income households is quite high. also due to ~~big~~ low interest rates households are unlikely to save their additional income and UK interest rates are 0.25% currently meaning the MPS is low, making the MPW relatively small so the size of the multiplier will be higher so any ~~rise~~ tax cuts ~~is~~ are likely to ~~however~~ ~~to~~ reduce the output gap. But the extent of this also depends on whether the rise in LRAS is smaller or larger than the rise in AD, it's likely to be smaller if income tax is cut rather than corporation tax as households are less likely to invest in factors of production but instead consume. Therefore all in all, I think that a cut in the lowest rate of income tax would be highly effective in reducing the output gap. Especially if it's used alongside expansionary monetary policy as this would reduce the marginal propensity to withdraw (MPW). However, this could cause budget problems in the future, unless the ~~ex~~ government is running a consistant budget surplus but this is unlikely in the Eurozone at the moment as they are recovering from recession.

Examiner commentary

The candidate demonstrates a good understanding of the output gap straight away and is able to effectively use aggregate demand and aggregate supply analysis to explain their argument, relating back to the question. There is also a correctly labelled and explained diagram which is integral to their analysis (and subsequent) evaluation.

The second point of analysis also uses the macroeconomic toolbox and draws on the multiplier effect to relate their point back to AD. Again, this chain of reasoning is nicely evaluated, intelligently commenting on the MPC of those with lower incomes and the consequence for the change in AD and the output gap.

The third argument about confidence of economic agents takes the discussion to another level by adding more depth to the previous points by recognising the short and long term impact of expansionary fiscal policy. Throughout the answer the candidate consistently uses the aggregate demand and aggregate supply mechanism to underpin their points. It is important for candidates to take note of this; clear analysis and evaluation must make effective use of the economics toolbox in this way.

Finally, there is a supported judgement; the candidate recognises that the effectiveness of expansionary fiscal policy depends on the marginal propensity to withdraw. This judgement is supported by prior analysis.

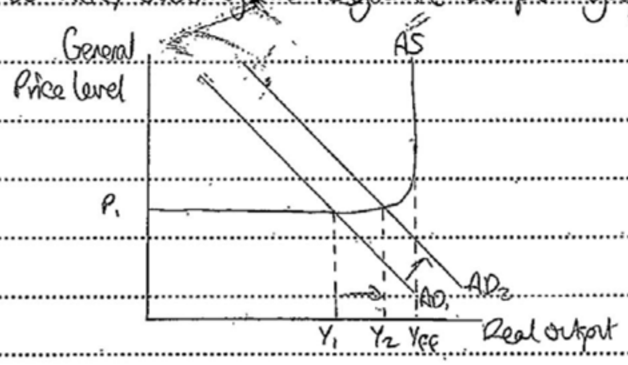
Exemplar 2 – Level 3 – 14 marks

Question No 3

Fiscal policy is the use of public expenditure and taxes as to manage aggregate demand and the governments macroeconomic objectives.

Fiscal policy is the use of government spending in order to manage the aggregate demand and can reduce the negative output gap as the fiscal policy implements automatic stabilisers that tend to decrease the output gaps, so that the country can be closer to the ideal growth curve on the trade cycle. The country will then need to implement expansionary fiscal policy in order to increase aggregate demand which will close the gap. If the fiscal policy was to implement the budget, then the country will be able to close the negative output gap because they will be able to increase government spending and rather not cut taxes as government spending is faster than cutting taxes which take a longer period of time. Government spending on important things like education and training will allow aggregate supply to increase as well due to there being an increase in the labour

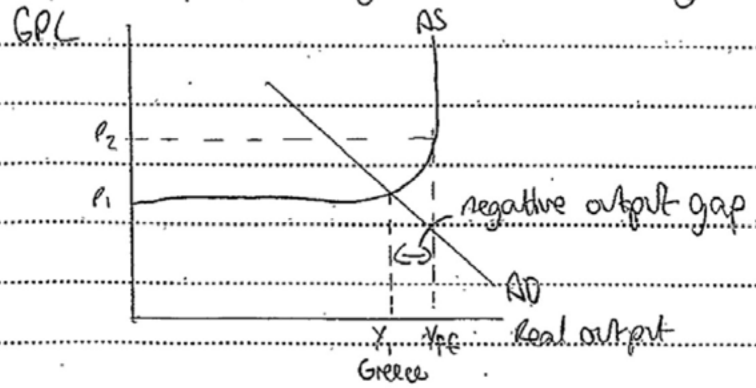
~~far~~ force. AD is increased as the consumption, investment and government spending will increase due to the government spending on education and training, which will lead to more people earning more income once they start to work and then this will lead to investment ~~&~~ increasing aswell which will reduce the negative output gap as the economy is now doing better and employment will start to rise, closing the negative output gap.



As fiscal policy is ~~a~~ increasing AD, AD_1 will go to AD_2 as there will be an increase in consumption and investment. Demand-pull inflation will occur as well. As more jobs are being created, this ~~d~~ increases Y_1 to Y_2, closer to Y_{FE} which is the ideal position. However, fiscal policy has a huge time lag which doesn't always work for in the long run. It takes time for the education and training to finish which could be very bad as decreasing a negative output gap will take a long time for the fiscal policy to be effective. It is also a 'one shot' policy so it has to work the first time the government tries to implement it. Monetary policy may be a better option than fiscal policy.

Fiscal policy could ~~decrease~~ increase taxes ~~that~~ in order to increase aggregate demand which will improve the negative output gap as it will ~~increase~~ ~~decrease direct taxes like~~ increase the chances of employment as people will gain a chance to work and also the consumer can also spend more on products. It will mostly affect income tax and corporate tax which will only benefit those who are ~~on the~~ earning high wages as that is the highest amount of percentage income tax is being taxed on. However, ~~cutting~~ increasing taxes will never happen. The cutting of taxes will only affect the rich as they are ~~all at~~ full employment within those areas which will decrease the amount of money going into

Using automatic stabilisers can benefit the fiscal policy scheme as they decrease the negative output gap. If the economy has spare capacity and is not being used up, then they need to be used in order to decrease that output gap. Spare capacity like employment will ~~help out~~ decrease the ~~de~~ chances of reduction in the output gap as it means that they are not at full employment yet, making them have a negative output gap



As Greece is implementing a negative output gap, this means they do have spare capacity leading to a ~~de~~ a gap in the employment levels. They want to be at Y_{FE}, however they are at Y_1, so the output gap is at $Y_1 - Y_{FE}$.

In conclusion, fiscal policy is a good way in reducing the negative output gap as it targets aggregate demand and increases the chances of G + I + C into increasing which will decrease the spare capacity within the economy and can also help employment rise, heading towards full employment. However, fiscal policy takes a long time to do and is only a 'one shot' policy which means it has to work in order of ~~E~~ it being effective. Also, in the real world, no country is at full employment so a lot of ~~people~~ countries will have spare capacity. Maybe the ~~e~~ country could try and use a monetary policy in order

to decrease the negative output gap as it may give better results.
Overall, fiscal policy ~~can~~ will reduce the negative output gap.

Examiner commentary

The candidate takes time to introduce the idea of expansionary fiscal policy. Other than demonstrating knowledge and understanding there is no significant credit to be had for this; it's better to get on to their analysis of the question.

There is good analysis (three chains of reasoning) relating to the rise in earnings and investment as a result of greater government spending which then promotes a rise in AD, closing the negative output gap.

There is some confusion around the role of automatic stabilisers and a diagram that illustrates a negative output gap but regrettably isn't used to answer the question.

The final paragraph is repetition of previous arguments rather than a supported judgement and so doesn't gain any credit for evaluation.

Section C

Question 4

Vietnam, a low-income country, is one of the fastest growing economies with a falling rate of poverty.

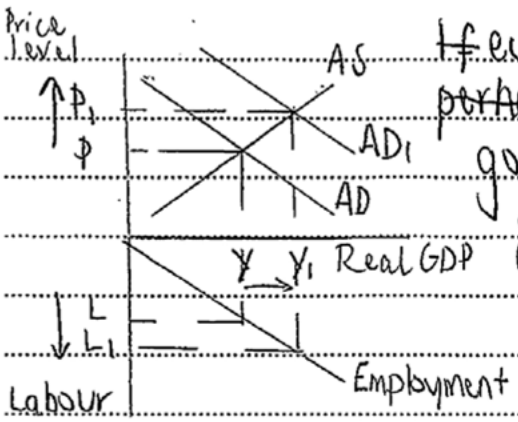
Evaluate whether economic growth will reduce poverty. **[25]**

Exemplar 1 – Level 5 – 25 marks

Question No 4

Economic growth is an increase in real GDP in the short run and an increase in the productive capacity of the economy in the long run. Absolute poverty is a situation where people cannot afford essential goods (usually earning less than \$2 a day). Relative poverty is a situation where people are earning less than 50% of the median earnings of that country.

One example of how economic growth can reduce poverty is through the increase in the level of employment in an economy:



~~If~~ economic growth ~~is~~ may be stimulated ~~perhaps~~ by an increase in government spending. As government spending is a component of aggregate demand, AD will increase from AD to AD1. This will increase the price level from P to P1 and increase real GDP from Y to Y1. The level of employment will increase from L to L1. This shows that economic growth can reduce poverty because an increase in employment will mean that many individuals have more real disposable income. This means that they can spend on goods and services such as food and healthcare, perhaps reducing both absolute and relative poverty. For example, China pulled 450 million people out of poverty through their high levels of economic growth. However, the level of work that individuals enter into will determine their level of real disposable income. For example, low-skilled jobs in the primary sector may not pay high wages and so the level of real disposable income will be limited.

Also, through economic growth the government can obtain higher tax revenues. This can be through increased corporation tax and income tax as a result of new firms and increased employment. It could also be from increased sales taxes (such as VAT in the UK) from increased levels of consumption. This will either mean that governments can reduce their budget deficit, making the country more attractive to foreign investment, so perhaps alleviating poverty by providing increased employment. Alternatively, the government could invest in healthcare and education. This could help to alleviate poverty as young children could ~~earn~~ increase their level of knowledge and skills and become more productive workers. This would increase the productive potential of the economy and alieviate poverty as workers can obtain higher wages. For example, in Tanzania reducing the level of debt by £3bn helped to increase those attending school to 66% of children. However, it must be said that investment is education and seeing the ~~incre~~ reduction of poverty will take time as there is a significant time lag with supply side policies.

However, economic growth may not reduce poverty if the effects of the growth are not widespread or if there is an uneven distribution of income. For example in Mexico much of the employment is near the border with the USA and their gini coefficient is 0.48. This suggests that although there may be increases in the level of employment, if labour is not geographically or occupationally mobile, poverty will not be reduced for the entire population. If economic growth results from the expansion of a major sector or industry in the economy people who work in the declining sectors of the economy may experience structural unemployment. However, the government could help to distribute income more evenly and alieviate poverty further by introducing a progressive tax system and welfare benefits.

Also, economic growth may not reduce poverty because it may only increased the incomes of the poorest by a slight amount, perhaps reducing poverty in the sense that they no longer earn less than $2. For example, multinational corporations may outsource their production processes the less developed countries. This may increase economic growth slightly as a result of increased employment but individual workers may still be in relative poverty. For example Audi employs children in India who work for £5 for six days of work. This suggests that although employment has increased there is still large poverty with people being unable to purchase the goods needed for survival.

Overall, economic growth should reduce poverty to a large extent. In the short run growth may be unevenly distributed with some entrepreneurs having high incomes. However in the long run the government can redistribute the benefits of growth through progressive taxation. The impact of economic growth on poverty depends on the level of economic growth the country experiences. It also depends on whether the government will spend or if it is corrupt. It must be assessed whether people's incomes are raised just above the absolute poverty threshold, as in this case more can be done to improve living standards.

Examiner commentary

The candidate begins by explaining the term absolute and relative poverty and then provides an analytical piece about the connection between economic growth and employment making effective use of an aggregate demand and supply diagram and furthering their argument by adding that tax revenues will rise and linking that to poverty reduction.

The candidate consistently embeds their points in economic terms and concepts and doesn't lose focus of the question.

The response is balanced, relatively equal weight is given to the reasons why economic growth may not result in lower poverty, adding to the quality of their answer by distinguishing between absolute and relative poverty. It culminates in a judgment about how government intervention could help to distribute income more evenly. The answer has already reached top level 5; the remainder is valid but no additional annotation needed as the maximum has been awarded.

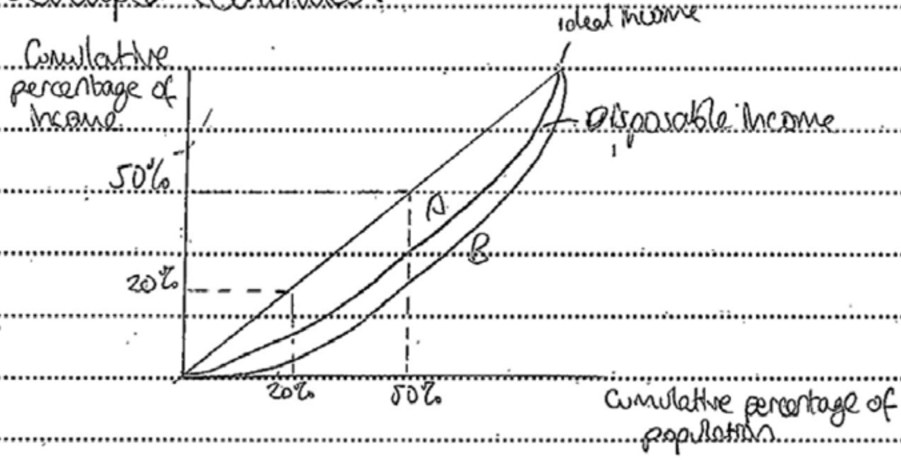
Exemplar 2 – Level 4 – 16 marks

Question No 4

Economic growth is the increase in the actual and potential output within an economy. It can ~~p~~ be measured by the percentage increase of real GDP. Poverty is when a country or county cannot afford the goods or services the country sells.

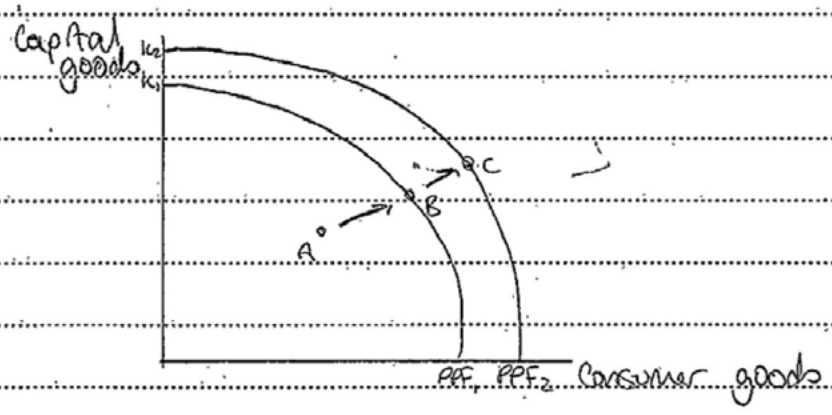
Economic growth will reduce poverty as it ensures that the aggregate demand and aggregate supply is increasing within the country meaning that the consumers of that country will be able to afford the products being sold there. As economic growth is increasing, this means real GDP is increasing making the GDP per capita is increasing aswell. This then makes the consumer able to afford to buy goods as their is an increase in consumption due to people gaining a higher level of disposable income, meaning the people can now buy more products for themselves causing poverty levels to decrease. However, we do not know the whole countries amount of poverty and those who are in poverty.

it may reduce poverty. It doesn't mean it will fix poverty as there are still a lot of people who are in poverty, even in developed economies.



Using the Lorenz curve we can see that the amount of income compared to the percentage of population there is. Those in poverty will be at the lower end of the spectrum and are the population that gains the least amount of income and are those who are ~~x~~ known as those in poverty. A is heading towards the ideal income curve, meaning it is heading towards the 45° line which is the best position for the consumer income to be on. Economic growth will increase the population's disposable income, so it will make the income increase so that will move it closer to the 45° curve.

Economic growth in other aspects like aggregate supply, will increase the economic growth, and will reduce poverty as ~~it will allow the people wanting to~~ if there was an increase in spending on education and training, this will increase the amount of jobs created as firms will implement more spending on job spaces causing the capacity of the labour force to increase which increases AS. As AS increases, this allows the actual and potential output of an economy to grow as it allows employment to rise due to more choices of ~~&~~ gaining a job, it decreases unemployment, increases consumer spending as consumers have now got a higher income meaning they can now spend more, which leads to a decrease in poverty as people now have a chance to find work and earn money for themselves, which reduces poverty levels. Especially in a developing economy, this will see a massive fall in poverty, as they can now obtain a job and start ~~p~~ buying products that are in need for the consumers. The 'basket of goods' will start to be bought which causes economic growth to rise.



As the economy has started to increase the economic growth of the country, this increases the amount of goods being able to increase in order to decrease the chances of poverty as the amount being able to be spent from A to B ~~B~~ has increased the chances. This was where the country has come out of a recession going from A to B, which is where actual output is being ~~creates~~ implemented. At point B is where we ideally want to be as this is where actual and potential output is. However, it doesn't mean that the developing country is at point B yet. As the country Vietnam has been one of the fastest growing economies, this could still mean that poverty is still high there, it has only decreased a bit because the highest paid people in Vietnam could be the ones causing economic growth. There can still be ~~[illegible]~~ a very high chance of people still in poverty which makes them have ~~a~~ unemployment levels like occupational unemployment as they do not have the money yet to afford to educate and train countries yet. FDI might need to be done in order to increase education and training.

In conclusion, economic growth will reduce poverty as it allows the economy to increase the chances of AD and AS if they increased education and training, which will allow people to increase their own knowledge of being able to work, this leads to the consumer being able to gain an income which ~~a~~ decreases the ~~d st~~ chances of poverty as they can start to afford ~~product~~ goods and services. However it won't solve poverty as economic growth could just affect those who are high income workers, if they were a developing country, then they could not maybe afford education and training which will cause them to maybe seek FDI payments inorder to do so. ~~Ov~~ Overall, economic growth can decrease poverty.

Examiner commentary

There is analysis of the reasons why economic growth will reduce poverty that makes effective use of aggregate demand and supply analysis. However the candidate loses sight of the question at times, devoting time to how growth will affect living standards, which limits how far they can progress. The arguments for are just good enough to justify level 4 analysis; particularly with the final point in the last paragraph relating to increased education and training.

There is some evaluation in the final paragraph, the candidate recognises that not everyone necessarily benefits from economic growth but there isn't a chain of argument to take this point further.

Exemplar 3 – Level 1 – 4 marks

Question No 4

Economic growth comes with many opportunities that would aid in reducing poverty, in order for sustainable and good economic growth to take place a country really has to be rid of poverty. As the economy expands more and more jobs become availible which is a means of income.

Other parts involved in the growth of an economy is actual development of the area. Poverty usually stems from an undeveloped area with limited resources and opportunities and so with development of these areas then housing and other jobs opportunities arrive.

We're told that Vietnam is a low income country yet its economy is growing and poverty is falling and from this it shows that poverty isn't expensive for an economy to solve.

Supply side policies should be used as they help to increase economic growth and would help to decrease poverty. Education and training for example. The Government initially invest into improved education and training of workers and citizens of that country and in turn they become more skilled and aquire the requirements needed for certain jobs and in return they pay tax back to the government who initially invested into the policy.

As the economy grows and other policy's are put in place, eg. a subsidy on tax so firms can use the money on employment, then poverty starts to decrease and doesn't continue as opportunities arise.

Examiner commentary

The answer is descriptive, making little use of aggregate demand and aggregate supply analysis or other economic content. The candidate doesn't focus on the question throughout, drifting to policies rather than how economic growth can reduce poverty.

Question 5

Recorded remittances to developing economies reached $440 billion in 2015.

Evaluate whether the receipt of remittances benefits developing economies. **[25]**

Exemplar 1 – Level 5 – 25 marks

Question No 5

Plan

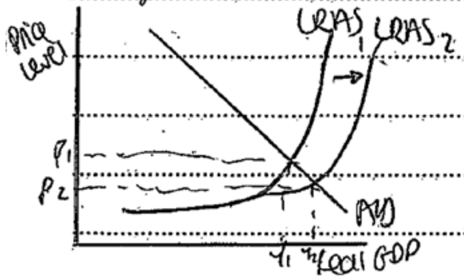
↳ Yes → remittances stable
→ not corrupted
→ ↑ healthcare & education → shift out LRAS
→ more ↑ investment – more productivity
→ macro economic indicators BOP → come as true on current account

No → can cause inequality
→ effect on exchange rate.
→ over dependence
→ creates more relative poverty even help

Depends on → Period Demogr. ↑ saving → looking at short or long
→ if measured for right thing → level of econ growth

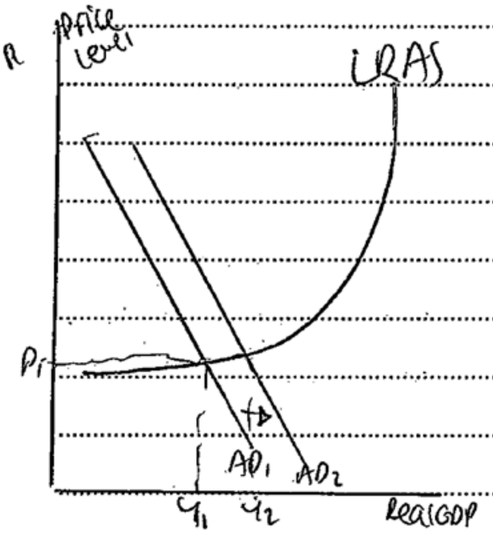
Remittances are flows of money that are sent ~~back home by a~~ from abroad to ~~a~~ the home country from usually migrants or family members who send money back to their families when working in a different economy. Economic growth and development involves shifting AD in the short run to ~~increase~~ increase real GDP and in the long run increasing the productive capacity of an economy, whilst increasing people's ~~social~~ ability to make ~~...~~ better social and economic choices. Remittances can act as a financial flow which develops the economy by shifting both AD and LRAS.

Firstly, the nature of remittances is that they are ~~income~~ transfer payments into the economy from abroad and thus come under the current account of the balance of payments as a positive ~~transfer~~ income payment. This means that if remittances increase ~~then~~ then it will benefit the ~~as~~ current account, which could rectify a current account deficit or create a current account surplus. The effect of this is that the government could use this surplus to invest or to build up their foreign exchange so that they don't experience a foreign exchange gap like most ~~LDC~~ ~~country~~ developing countries do. This would enable them to benefit from an increased ability to import capital which can be utilised to shift out the LRAS curve from $LRAS_1$ to $LRAS_2$.



The effect of this is that employment will increase ~~and~~ from Y_1 to Y_2, they have experienced economic growth. and price level has reduced. ~~meaning that~~ Remittances ~~can also~~ are also ~~less~~ harder to corrupt as they don't go through the government. This means they work better than other financial flows as they get where they need to be and help families that need them. The families who receive them can spend ~~them on the~~ the extra income on healthcare and education which can increase the level of human capital in the economy and shift out the LRAS as the ~~PPF~~ productive possibility shifts out. This has the same effect as on the diagram before. This increasing human capital ~~as well as give~~ in important alongside ~~gov~~ government purchasing capital (as mentioned before) as it allows capital to be utilised to increase output growth and efficiency within the economy. As ~~Remittances are a~~ remittances aren't ~~c~~ intercepted by the government means the financial flow can't be influenced by political agenda, where the government uses it ~~for~~ for more current expenditure to benefit the short term rather than investing it into capital expenditure to benefit the long run development of the economy by shifting LRAS.

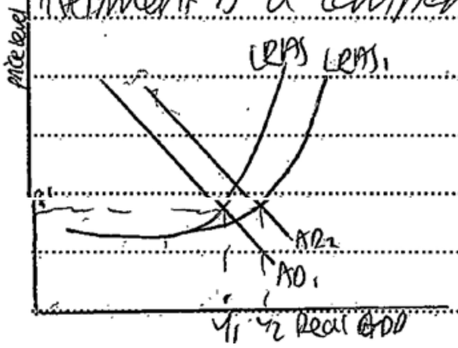
~~The~~ Remittances also act as an injection into the circular flow diagram and as the families who receive the remittances gain it will act as ~~an~~ increased income and increase their marginal propensity to consume, meaning ~~they~~ ~~will~~ it will result in more consumption and as consumption is a component of AD it will shift AD right from AD_1 to AD_2:



The effect of this is that employment ~~will~~ will ~~increase~~ increase as a result of more need for labour to accommodate for rising demand. The extent to which it will effect price level depends on the position on the LRAS curve but in this diagram it doesn't ~~affect~~ create inflation.

Due to remittances being a stable ~~flow~~ financial flow and an increase in LRAS and AD ~~showing~~ (as shown on previous diagrams) resulting in signs of economic growth due to increased Real GDP and increased productive capacity, but without inflation it will encourage investment. The

Stability of ~~the~~ ~~financial~~ remittances makes future investment more predictable, encouraging investment. This will shift AD as investment is a component but will also cause an increase ~~to~~ in LRAS as from $LRAS_1$ to $LRAS_2$ as more investment ~~often~~ increases efficiency and productivity over time which increases productive potential.

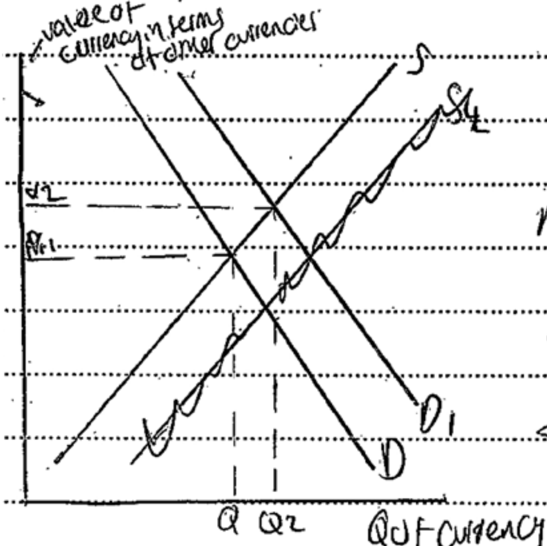


This causes more economic growth whilst keeping inflation low and steady.

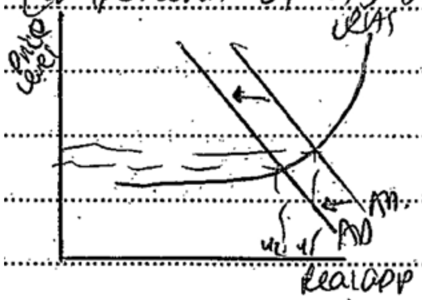
However, remittances can help growth but ~~not~~ ~~development~~ also cause income inequality as some families have better access to income financial flows from remittances. This enable them to do what ~~was~~ was just mentioned ~~that~~ ~~is good~~ in terms of increasing healthcare ~~or~~ and education expenditure whilst other families ~~who~~ who are in absolute poverty so don't have the access to funds in the first place thus ~~do~~ ~~not~~ don't have much skills from education and thus can't migrate as won't get a job. ~~Thus~~ Thus it hasn't helped reduce poverty in the country.

Remittances also create an over dependence on that financial flow. ~~Yet~~, As incomes increase for ~~the~~ migrant workers abroad it will increase remittance flows as they send more home but this creates an over reliance on them as the ~~only flow~~ main financial flow, however a country needs to use these financial flows to develop their economy. this reduce the reliance.

Although remittances can have a positive effect on balance of payments it can also have a negative effect on them via exchange rates if the flows are too large.



If there are too many remittance flows then it means they are ~~supplying~~ demanding more of the currency onto the market as they will send money back in their home currency. This ~~shift~~ shifts ~~supply~~ demand from ~~S to S1 and~~ ~~rebalancing~~ the D to D1 this increasing the value of that currency in relation to other currencies from V_1 to V_2. The effect of ~~this~~ this is more expensive exports and cheaper imports, ~~[illegible]~~ encouraging a ~~deficit~~ trade deficit on the current account as exports will be smaller than imports, and as they are components of AD will shift AD left which cause



unemployment from Y_1 to Y_2 and reduced economic growth, but less inflationary pressures.

The effect of remittances to developing country depends on whether they follow the Harrod Domar model and use the financial flow to ~~invest~~ invest in capital whilst also ~~using the~~ depending on if the recipients of remittences save some of it, which would allow more investment and thus growth. It also depends on the current position of the economy in relation to full capacity combined with how much of an increase there is of consumption by the families who receive remittences as ~~the~~ ~~the~~ thus more inflationary pressures they cause. It also depends if they are spent on healthcare and education to improve ~~the~~ ~~efficiency~~ the labour market thus attracting investment or if they are used to purchase tangiable assets.

Overall, ~~they~~ remittences ~~are a good way~~ benefit developing countries in aiding their long and short term growth if they are utilised in the right way and savings and investment occurs.

Examiner commentary

The candidate has planned their answer which has promoted a balanced approach. Models, such as Harrod Domar, have been used, adding good economic content and more sophistication to their work. The response is very well thought out, lucid and perceptive. The whole answer is saturated in economic content; the answer is focused on the question and consistently connected to aggregate demand and aggregate supply analysis. There is a sequential chain of reasoning about the benefits of remittances to reach strong analysis. Subsequent arguments are all credit worthy but the candidate has already reached the top level for analysis and so these points are annotated with [seen]. The arguments for are then countered with considered and in depth arguments against to add balance to the response. Finally, the candidate offers a judgment that is supported by prior analysis by recognising that the effect of remittances depends on the flow of currency and the size of the trade deficit.

Exemplar 2 – Level 3 – 12 marks

Question No 5

Remittances are transfers of money from migrant workers in developed economies back to their home economy which may be any emerging or developing.

The receipt of remittances within developing economies can massively benefit them because for some countries, families of migrant workers may be on the brink of, or within absolute poverty, unable to afford basic ~~needs~~ commodities to survive and therefore remittance payments can help families to establish themselves and afford enough food and water to be of physical fitness to work or even pay for education to become higher skilled, this will increase the supply of labour within an ~~ee~~ developing economy and can therefore help to increase productivity and allow for international trade to support the development of the economy.

Moreover, if there are remittance payments being sent to developing countries a combination of this and the factor of production entrepreneurship can lead to the exploitation of micro-finance services which can help populations in developing countries to improve their own development by taking out small ~~term~~ scale loans on top of their remittance payments to create their own businesses which can also help to escape the poverty trap and the infant industry chain within developing countries such as Kenya. This too will benefit developing economies by improving productivity.

without the need to increase borrowing from the Word Bank or developed countries that they may struggle to pay back, ensuring a healthy budget is retained.

However, although receipts of remittances are good for developing economies, to get these payments it involves the leaving of developing economies most skilled workers who could be more beneficial staying within the country to teach others for establish business and higher productivity.

Furthermore, if remittances are also only being sent back to the families of migrant workers in developing countries then the economy itself has no way of determining the payments uses and it may lead to people believing they have a higher disposable income and wasting the payments without any concerns for helping the rest of their economy develop, for example

In conclusion, whether the receipt of remittance benefits develops economies depends upon the cummulative remittance funds within the economy because they need to be substantial in order to encourage any benefits or changes.

Also, it depends on the availability of services like micro-finance which can be dependent on international organisations such as the International Monetary Fund and the Word Trade Organisation, because if the economy hasn't cooperated with these external organisations it may be hard to maximise the benefits available from remittance, no matter how much they earn from it.

In my opinion, I think that remittance

payments can be extremely beneficial to developing economies however only with the correct balance of skilled workers remaining in the economy itself to help the remittance be used beneficially for example to develop businesses and schools / health care services for the population

Examiner commentary

The candidate begins by establishing the understanding of remittances. This is credited as knowledge and understanding but isn't entirely necessary as knowledge and understanding can be demonstrated by the use of economic content within their analysis and evaluation.

They start a chain of reasoning by explaining how remittances can result in greater labour supply due to greater physical fitness but it isn't extended to aggregate demand/supply analysis, limiting the development of their argument. The second point takes their analysis further by linking it to productivity and government debt.

The candidate has attempted to make a judgment using 'depends on' but it is too vague to be credited and the remainder of the conclusion is repetition of previous points.

Overall, it was rather descriptive and could have been improved by economic content to establish the points made.

We'd like to know your view on the resources we produce. By clicking on the 'Like' or 'Dislike' button you can help us to ensure that our resources work for you. When the email template pops up please add additional comments if you wish and then just click 'Send'. Thank you.

Whether you already offer OCR qualifications, are new to OCR, or are considering switching from your current provider/awarding organisation, you can request more information by completing the Expression of Interest form which can be found here: www.ocr.org.uk/expression-of-interest

OCR acknowledges the use of the following content:
Square down and Square up: alexwhite/Shutterstock.com

Please get in touch if you want to discuss the accessibility of resources we offer to support delivery of our qualifications: resources.feedback@ocr.org.uk

Looking for a resource?

There is now a quick and easy search tool to help find **free** resources for your qualification:

www.ocr.org.uk/i-want-to/find-resources/

www.ocr.org.uk/alevelreform

OCR Customer Contact Centre

General qualifications

Telephone 01223 553998
Facsimile 01223 552627
Email general.qualifications@ocr.org.uk

OCR is part of Cambridge Assessment, a department of the University of Cambridge. *For staff training purposes and as part of our quality assurance programme your call may be recorded or monitored.*

Cambridge Assessment

ISO 9001 001