

General Certificate of Secondary Education

J320

Economics

Unit A593: *The UK Economy and Globalisation*

Specimen Paper

Time: 1 hour 30 minutes

Candidates answer on the question paper.

Additional materials:

Candidate
Forename

Candidate
Surname

Centre
Number

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Candidate
Number

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INSTRUCTIONS TO CANDIDATES

- Write your name in capital letters, your Centre Number and Candidate Number in the boxes above.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each **question** carefully and make sure you know what you have to do before starting your answer.
- Answer **all** the questions.
- Do not write in the bar codes.
- Do not write outside the box bordering each page.
- Write your answer to each question in the space provided.

INFORMATION FOR CANDIDATES

- The number of marks for each question is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is 80.
- You will be awarded marks in questions 2(f), 3(c), 5(b), 6(c) and 7 for the quality of written communication of your answer.

FOR EXAMINER'S USE	
1	
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TOTAL	TOTAL

This document consists of **18** printed pages and **2** blank pages.

'The Globalisation Game'

'The world's economies have developed ever-closer links since 1950 in trade, investment and production.

Known as globalisation, this process is not new, but its pace and scope has accelerated in recent years to embrace more industries and more countries.

There have been losers as well as winners from globalisation, with China being the biggest winner'.

Adapted from: BBC News

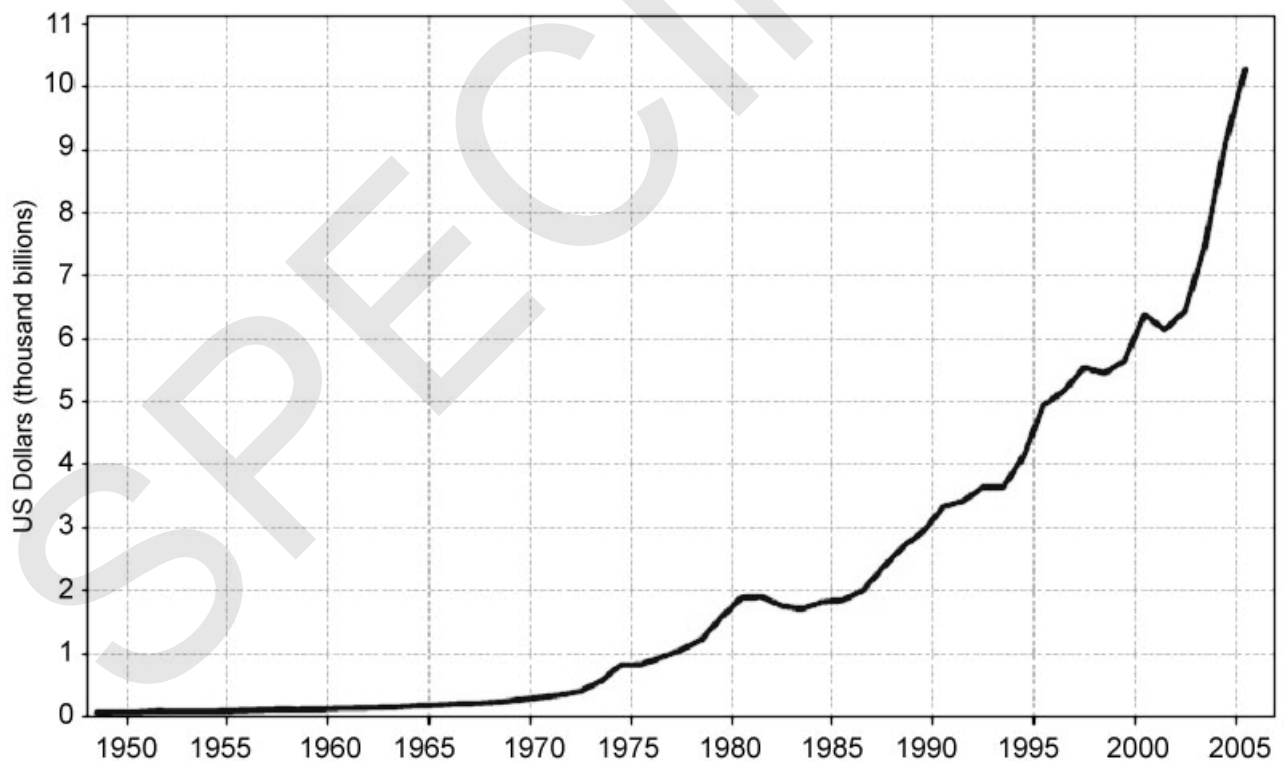
Meena and Malcolm run a company making and selling educational games. They recently had great success with a board game based around the rights and responsibilities of citizenship.

They have now turned their attention to 'globalisation'. They are aware that there are many players in this 'game' and that there are also many winners and losers. Before they start to construct the game, they need to establish some facts and figures about globalisation.

Fig. 1
Just how quickly has world trade grown?

The Value of World Exports

US dollars, annual figures, source: IMF



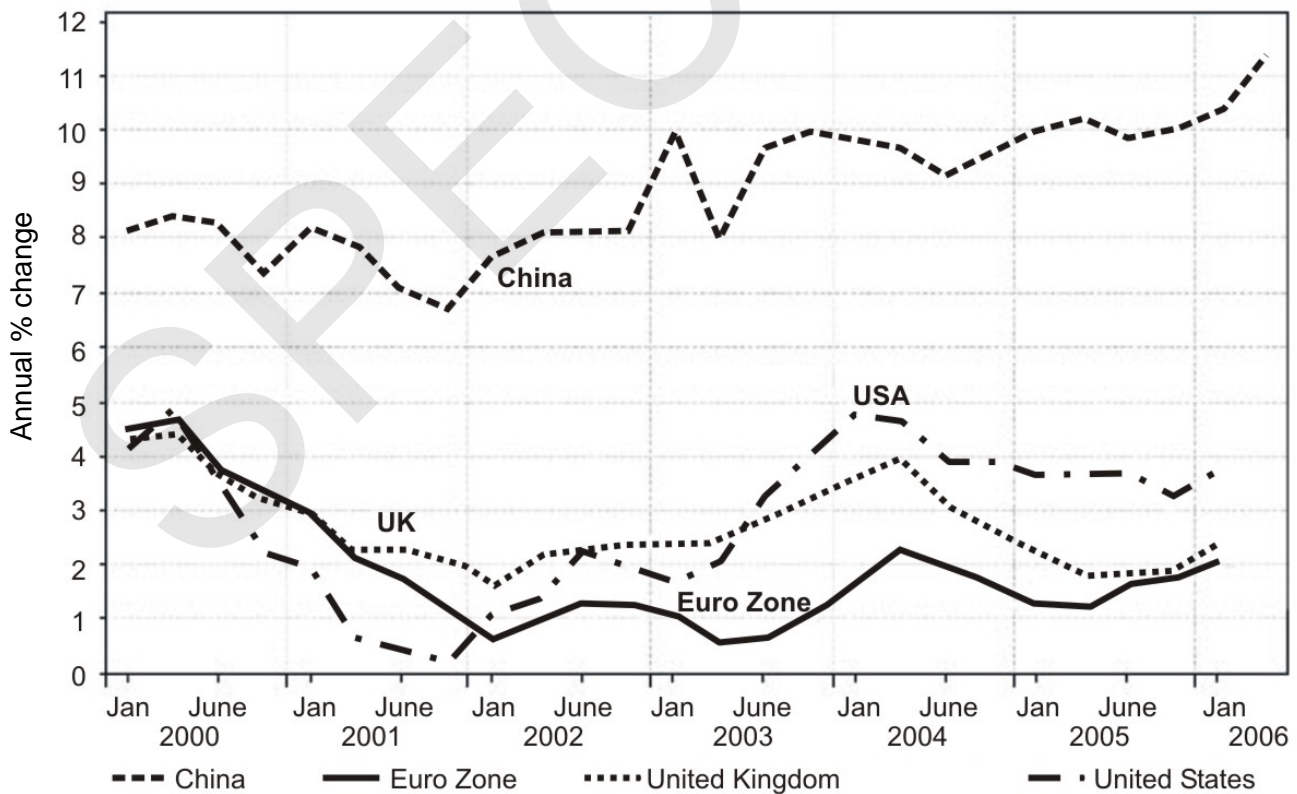
Source: Reuters EcoWin

Fig. 2
Who are the main players?

Ranking	Largest economies in 2003	Largest economies in 2025 (forecast)	Largest economies in 2050 (forecast)
1	USA	USA	China
2	Japan	China	USA
3	Germany	Japan	India
4	UK	Germany	Japan
5	France	India	Brazil
6	China	UK	Mexico
7	India	Russia	Germany
8	Brazil	South Korea	UK

Fig. 3
Just how quickly is China growing?

Growth Rates for selected Counties
Annual percentage change in real national output



Source: Reuters EcoWin

Fig.4
What are the main drivers of globalisation?

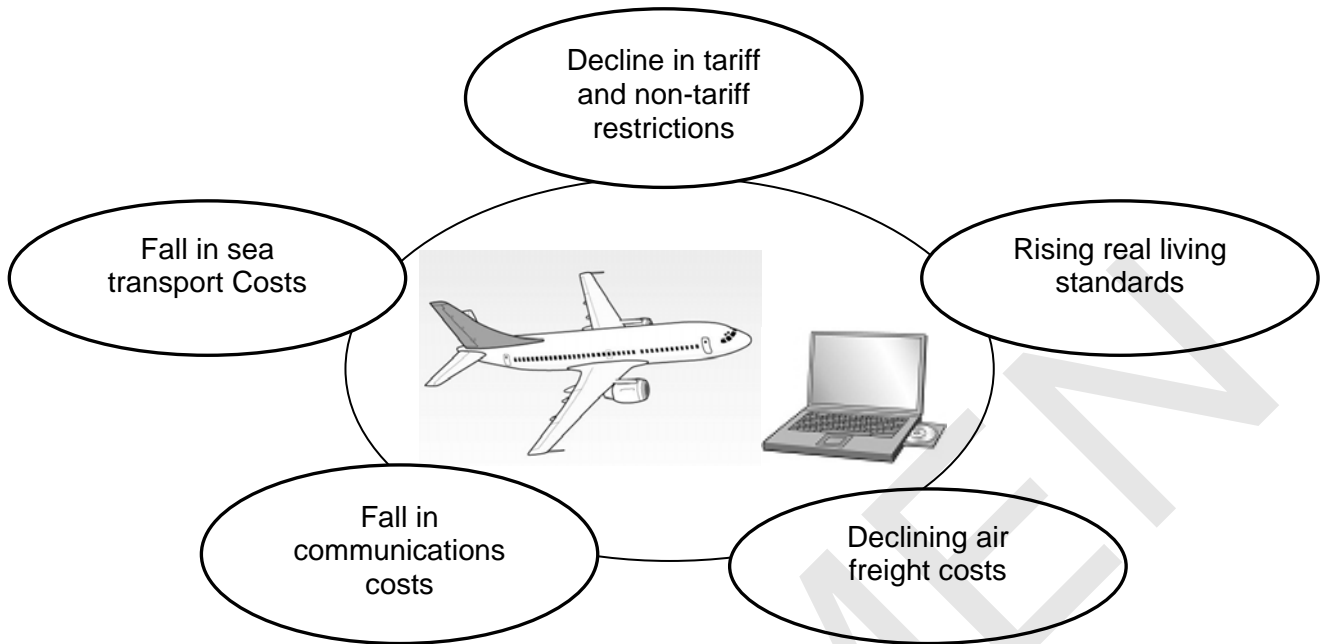


Fig. 5
Growth in some cities in China is phenomenal!

Drive from Chongqing airport towards the city centre and the first things you notice are the cranes.

A grim mixture of mist and man-made pollution usually makes it difficult to see very far in this sprawling metropolis on the banks of the Yangtse River. But even in the gloom I count fifty huge construction sites before we are halfway to our hotel. The population of the city is expected to grow by 40,000 people this month, and every month for years to come. The municipality of Chongqing, which includes a chunk of the surrounding countryside, already has a population of 31 million. That is more than half the number of people who live in Britain.

Line 5

Good wages

This is China's new economic frontier. The country's extraordinary development began in the coastal cities, powered by a seemingly limitless supply of cheap labour. But as costs and wages have risen in those areas, businesses are looking west for new, cheaper places to operate. Chongqing lies more than a thousand miles inland. And the city authorities - ever eager to attract new investment - claim that wage rates for many jobs here are half of those in some of the coastal cities. But Chongqing still has no difficulty in attracting new migrants from the vast rural hinterland of China's south west. Many come hoping to get work in a factory. I was introduced to a young assembly worker, newly arrived from a tiny village. His pay is £80 a month. And although he admitted that he had found the transition to city life quite difficult, the money was far more than he could hope to earn back in his home village.

Line 10

Line 15

Line 20

Adapted from a report by Nils Blythe on the BBC News website – bbc.co.uk/news

Fig. 6

World Trade Organisation - Free trade can lead to greater economic growth and create jobs!

Trade stimulates economic growth, and that can be good news for employment

The World Trade Organisation (WTO) is the only international organisation dealing with the global rules of trade between nations. Its main function is to ensure that trade flows as smoothly, predictably and freely as possible.

Trade clearly has the potential to create jobs. In practice, there is often factual evidence that lower trade barriers have been good for employment. But the picture is complicated by a number of factors. Nevertheless, the alternative — protectionism — is not the way to tackle employment problems.

Line 5

This is a difficult subject to tackle in simple terms. There is strong evidence that trade boosts economic growth, and that economic growth means more jobs. It is also true that some jobs are lost even when trade is expanding. But a reliable analysis of this poses at least two problems.

Line 10

First, there are other factors at play. For example, technological advance has also had a strong impact on employment and productivity, benefiting some jobs, hurting others.

Second, while trade clearly boosts national income (and prosperity), this is not always translated into new employment for those workers who lost their jobs as a result of competition from imports.

Line 15

There are many instances where the facts show that the opportunity has been grasped — where freer trade has been healthy for employment. The European Union Commission calculates that the creation of its Single Market means that there are somewhere in the range of 300,000–900,000 more jobs than there would be without the Single Market.

Line 20

Often, job prospects are better in companies involved in trade. In the United States, 12 million people owe their jobs to exports; and, those jobs tend to be better-paid with better security.

Line 25

The facts also show how protectionism hurts employment. The example of the US car industry has already been mentioned: trade barriers designed to protect US jobs by restricting imports from Japan ended up making cars more expensive in the US, so fewer cars were sold and jobs were lost.

In other words, an attempt to tackle a problem in the short term by restricting trade turned into a bigger problem in the longer term.

Line 30

Adapted from the 10 benefits of world trade by the **World Trade Organisation**

Fig. 7
Just how important is economic growth?
Economic benefits from growth



Fig. 8 There are many winners with globalisation!

Globalising the car industry

Sheafali is very pleased that at the age of 25, she has just been able to buy her first car, a small Hyundai.

She plans to use the car to go on weekend trips to the hill country to escape the heat of Delhi, where she lives.

Sheafali is able to afford a car because she works in a call centre run by the US multinational company 'Convergys' - which is not only well-paid by Indian standards, but also gives her the weekend off.

Line 5

She may be typical of the new breed of consumer - young, savvy and Asian - who represents the future of the car industry.

Major companies developing low-cost cars include Renault, Fiat, Peugeot, Daewoo (GM), Hyundai and Daihatsu (Toyota), as well as Chinese firms Geely and Chery and Indian companies Tata and Maruti. They are producing these cars for emerging markets such as Asia.

Line 10

High fuel prices - and high taxes on petrol - are discouraging consumers from buying the large, fuel-guzzling SUVs (sports utility vehicles).

Story adapted from BBC NEWS:
<http://news.bbc.co.uk/go/pr/fr/-/1/hi/business/6346325.stm>

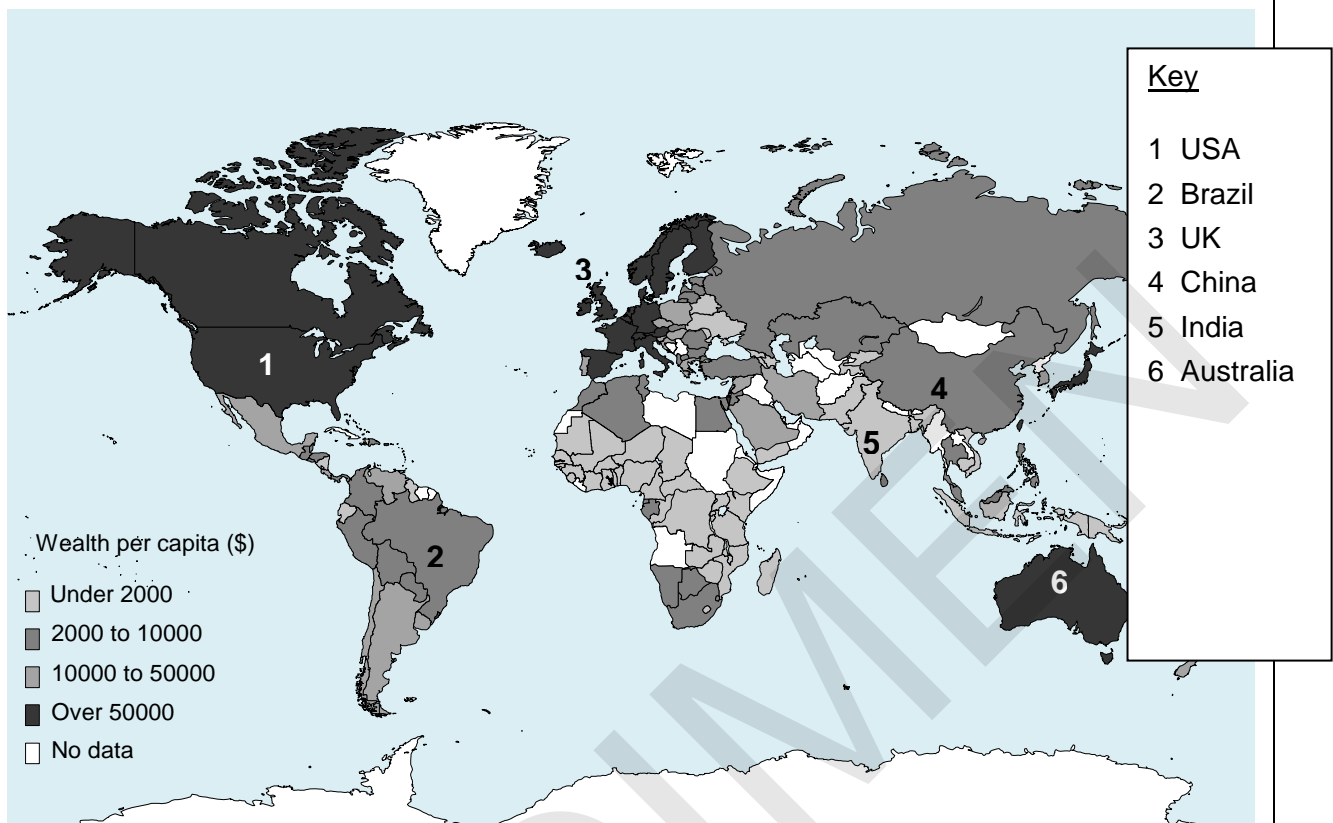
Line 15

Published: 2007/02/28 20:36:57 GMT
 © BBC MMVII

Fig. 9

However, economic growth has hit oil and food prices!

<p>UN warns on soaring food prices</p> <p>The soaring cost of food is threatening millions of people in poor countries, the United Nations Food and Agriculture Organisation (FAO) has warned.</p> <p>Food prices have risen by an unprecedented 40% in 2007 and many nations may be unable to cope, the agency says.</p> <p>It is calling for help for farmers in poor countries to buy seeds and fertiliser, and for a review of the impact of bio-fuels on food production.</p> <p>Urgent action</p> <p>The increases are partly due to droughts and floods linked to climate change, as well as rising oil prices boosting demand for bio-fuels, the FAO said.</p> <p>Changing diet in fast-developing nations such as China is also considered a factor, with more land needed to meet increasing demand for meat and wheat. International cereal prices have already sparked food riots in several countries, the FAO points out.</p> <p>The use of land to grow plants which can be used to make alternative fuels - and the use of food crops themselves for fuel - has reduced food supplies and helped push up prices.</p> <p>Adapted from BBC NEWS: http://news.bbc.co.uk/go/pr/fr/-/1/hi/world/7148880.stm</p> <p>Published: 2007/12/17 20:15:54 GMT</p> <p>© BBC MMVII</p>	<p>Line 5</p> <p>Line 10</p> <p>Line 15</p>
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Fig. 10**Winners and losers - Why is wealth and income spread so unequally?**

Source: UNU-WIDER

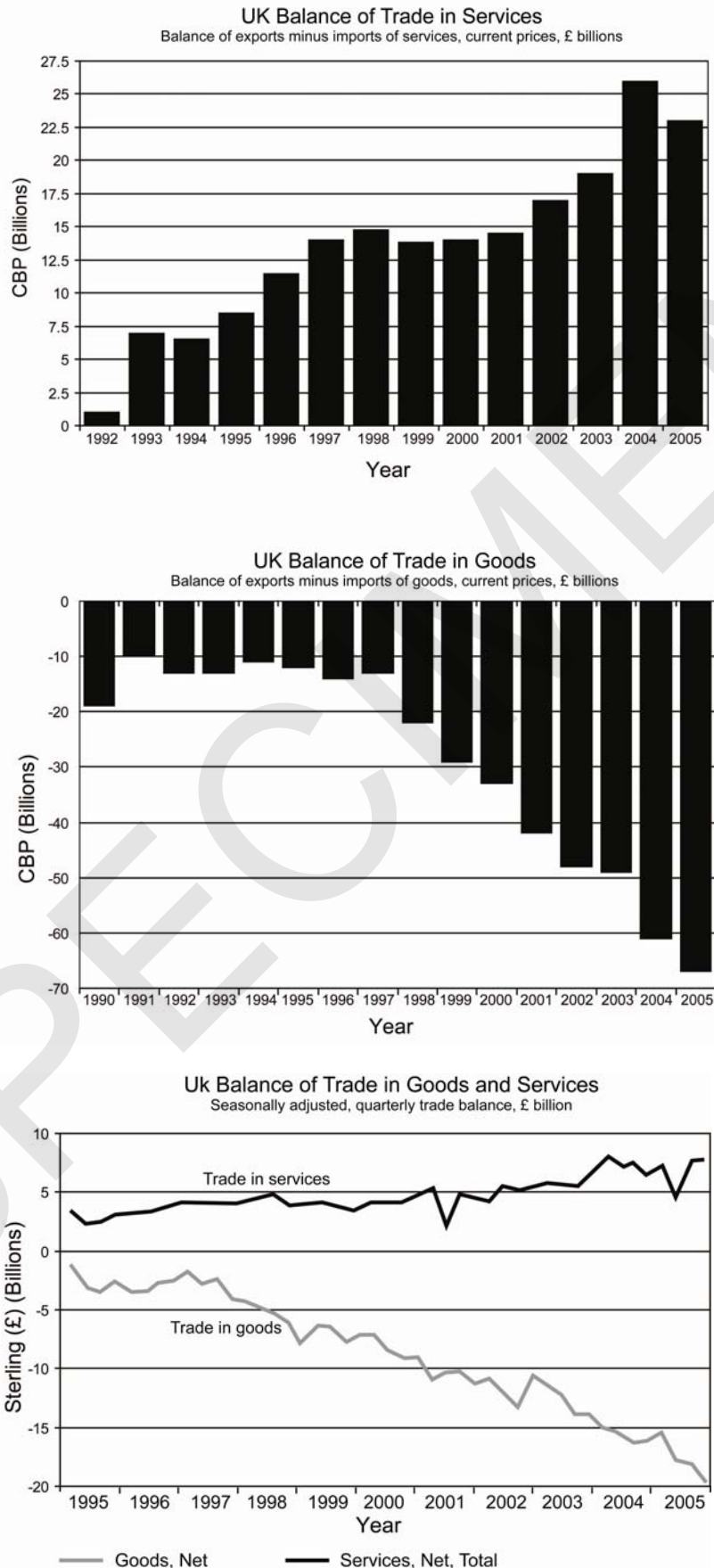
The world distribution of wealth and income is highly unequal. The richest 10% of households in the world have as much yearly income as the bottom 90%.

Wealth - total assets rather than yearly income – is even more unequal. The rich are concentrated in the US, Europe and Japan, with the richest 1% alone owning 40% of the world's wealth.

Poverty, on the other hand, is widespread across the developing countries - which have five-sixths of the world's population. But recently it has fallen sharply in China.

Adapted from a story by the BBC News

Fig. 11
Can the UK afford to pay its way?



Source: Reuters EcoWin

Answer **all** questions.

Using your knowledge of economics and with reference to the given Figures, answer the following questions in the spaces provided.

1 Use Fig. 1 in answering the following questions.

(a) State the value of world exports in 2000.

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..... [1]

(b) Describe how world trade has grown between 1995 and 2005.

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..... [2]

(c) Explain **one** reason why countries trade with each other.

Reason:

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Explanation:

..... [2]

2 Use Figs. 2, 3 and 4 in answering the following questions.

(a) Which country is predicted to have the largest economy in 2050?

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..... [1]

(b) State **one** way in which the size of an economy may be measured.

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..... [1]

(c) Which country had the highest rate of economic growth between 2000 and 2006?

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..... [1]

(d) Which country had the lowest rate of economic growth in 2001?

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..... [1]

(e) Name **one** country which is part of the 'Euro Zone'.

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(f) To what extent may 'rising real living standards' have led to increased globalisation? Give reasons for your answer.

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4 Use Fig. 6 in answering the following questions.

(a) Tick **one** function of the World Trade Organisation.

[1]

Function	Tick
To give financial aid to poor countries	
To increase international trade	
To distribute food to countries having poor harvests	

(b) How many jobs does Fig. 6 suggest have been created in the European Union with freer trade?

[1]

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(c) Discuss why protectionism in the US car market (lines 26-27) caused job losses amongst US car workers.

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(d) To what extent might technological advance (line 12) create employment in a country? Give reasons for your answer.

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5 Use Fig. 8 in answering the following questions.

(a) Sheafali works for 'Convergys', a US multinational company (line 4). Explain what is meant by a multinational company.

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- (b) Discuss why many car firms (lines 8 – 10) are now developing low cost cars for markets such as the Asian market.

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6 Use Fig. 10 in answering the following questions.

- (a) Explain what is meant by 'wealth per capita US\$'.

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[2]

(b) Tick **one** country which has wealth of over \$50,000 per capita and **one** which has wealth of less than \$2000 per capita. **[2]**

Country	Greater than \$50,000 per capita	Less than \$2,000 per capita
USA		
China		
India		
Brazil		

(c) Discuss why many developing countries find it difficult to gain from globalisation.

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Copyright Acknowledgements:

Sources:

Source 1: The Globalisation Game. Adapted from: BBC News

Fig. 1: The Value of World Exports. © Reuters EcoWin

Fig 3: Growth Rates for selected counties. © Reuters EcoWin

Fig. 5: Growth in some cities in China is phenomenal! Adapted from a story by Nils Blythe, business correspondent, © BBC News, Chongqing, China

Fig. 6: Trade stimulates economic growth, and that can be good news for employment. Adapted from the 10 benefits for world trade by the © World Trade Organisation.

Fig. 8: Globalising the car industry. Adapted from a story by Steve Schifferes, Globalisation reporter, BBC News; Story adapted from BBC NEWS: <http://news.bbc.co.uk/go/pr/fr/-/1/hi/business/6346325.stm>, Published: 2007/02/28 20:36:57 GMT, © BBC MMVII

Fig. 9: UN warns on soaring food prices; Adapted from BBC NEWS: <http://news.bbc.co.uk/go/pr/fr/-/1/hi/world/7148880.stm>; Published: 2007/12/17 20:15:54 GMT; © BBC MMVII

Fig. 10: Distribution of Global Wealth. With kind permission of the World Institute for Development Economics Research of the United Nations University. UNU-WIDER

Fig. 11: UK Balance of Trade. © Reuters EcoWin

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Question Number	Answer	Max Mark
1(a)	<p>State the value of world exports in 2000. One mark for the correct identification \$6000bn</p>	[1]
1(b)	<p>Describe how world trade has grown between 1995 and 2005. One mark for each of two correct identifications Increased one mark 1995 - \$5000bn – 2005 - \$10,000bn one mark for each Or Observation on increase, e.g. 100% increase two marks</p>	[2]
1(c)	<p>Explain <u>one</u> reason why countries trade with each other. One mark for a correct identification e.g. Specialisation/absolute advantage/choice, etc Two marks for a clear explanation.</p>	[2]
2(a)	<p>Which country is predicted to have the largest economy in 2050? One mark for the correct identification China</p>	[1]
2(b)	<p>State <u>one</u> way in which the size of an economy may be calculated. One mark for the correct identification e.g. National Income/GDP, etc.</p>	[1]
2(c)	<p>Which country had the highest rate of economic growth between 2000 and 2006? One mark for the correct identification China</p>	[1]
2(d)	<p>Which country had the lowest rate of economic growth in 2001? One mark for the correct identification USA</p>	[1]
2(e)	<p>Name <u>one</u> country that is part of the 'Eurozone'. One mark for the correct identification Any country which uses the Euro e.g., France, Germany etc.</p>	[1]

Question Number	Answer	Max Mark
2(f)	<p>To what extent may 'rising real living standards' have led to increased globalisation? Give reasons for your answer</p> <p>Level 4 7-8 marks</p> <p>Candidate evaluates the impact of 'rising real living standards' and other factors on increasing globalisation.</p> <p>Complex ideas have been expressed clearly and fluently using a style of writing appropriate to the subject matter. There may be few, if any, errors of spelling, punctuation and grammar. Candidate has been able to demonstrate and apply knowledge and understanding. The candidate should have analysed with reference to the question.</p> <p>Level 3 5-6 marks</p> <p>Candidate analyses the impact of 'rising real living standards' and other factors on increasing globalisation.</p> <p>Relatively straightforward ideas have been expressed with some clarity and fluency. There will be some errors of spelling, punctuation and grammar, but these are unlikely to be intrusive or obscure meaning. Knowledge and understanding should have been demonstrated and applied/understood.</p> <p>Level 2 3-4 marks</p> <p>Candidate demonstrates an understanding of the effects of 'rising real living standards' on increasing globalisation.</p> <p>Some simple ideas have been expressed in an appropriate context. There are likely to be some errors of spelling, punctuation and grammar of which some may be noticeable and intrusive. A basic knowledge and understanding should have been demonstrated.</p> <p>Level 1 1-2 marks</p> <p>Candidate demonstrates knowledge of the effects of 'rising real living standards' on increasing globalisation.</p> <p>May be in the form of a list. Some simple ideas have been expressed. There will be some errors of spelling, punctuation and grammar which will be noticeable and intrusive</p> <p>0 marks No evidence submitted or response does not address the question.</p>	

Question Number	Answer	Max Mark
2(f) cont'd	<p>Indicative Content</p> <p>For knowledge and understanding of 'rising real living standards'</p> <p>Higher living standards leading to higher demand</p> <p>Recognise other factors, e.g. communications, new technology etc.</p>	[8]
3(a)	<p>State the <u>two</u> factors of production identified in Fig. 5:</p> <p>One mark for each of two correct identifications.</p> <p>Capital one mark</p> <p>Labour one mark</p>	[2]
3(b)	<p>Using an example from Fig. 5, explain what is meant by an external cost of production.</p> <p>One mark for a correct identification of an example, e.g. Air pollution</p> <p>Two marks for an explanation of the correct identification of an external cost of production. E.g. Not borne by individual consumer but by society as a whole. Social cost minus private cost – up to 2 marks.</p> <p>Maximum three marks</p>	[3]
3(c)	<p>A young assembly worker earns about £80 per month in Chongqing. A similar worker in the UK would earn more than £800 per month. Discuss reasons for these differences in wage rates.</p> <p>Level 4</p> <p>7-8 marks</p> <p>Candidate evaluates the impact of wage theory related to China and the UK. Complex ideas have been expressed clearly and fluently using a style of writing appropriate to the subject matter. There may be a few, if any, errors of spelling, punctuation and grammar. Candidate has been able to demonstrate and apply knowledge and understanding. The candidate should have analysed with reference to the question.</p> <p>Level 3</p> <p>5-6 marks</p> <p>Candidate analyses the impact of wage theory related to China and the UK. Relatively straightforward ideas have been expressed with some clarity and fluency. There will be some errors of spelling, punctuation and grammar, but these are unlikely to be intrusive or obscure meaning. Knowledge and understanding has been demonstrated and applied/understood.</p>	

Question Number	Answer	Max Mark
<p>3(c) cont'd</p>	<p>Level 2 3-4 marks</p> <p>Candidate demonstrates an understanding of basic wage theory and the Chinese economy. Some simple ideas have been expressed in an appropriate context. There are likely to be some errors of spelling, punctuation and grammar of which some may be noticeable and intrusive. A basic knowledge and understanding has been demonstrated.</p> <p>Level 1 1-2 marks</p> <p>Candidate demonstrates knowledge of China being a low wage economy. May be in the form of a list. Some simple ideas have been expressed. There will be some errors of spelling, punctuation and grammar which will be noticeable and intrusive.</p> <p>0 marks No evidence submitted or response does not address the question.</p> <p>Indicative Content</p> <p>Answers may look at the labour supply for the whole economy noting that China is currently a low wage country. Candidates may look at the alternatives to working in a large city against the opportunities and wages afforded in a small rural village. More detailed answers may build upon this through demand and supply analysis of the equilibrium wage drawing clear comparisons between China and the UK.</p>	<p>[8]</p>
<p>4(a)</p>	<p>Tick <u>one</u> function of the World Trade Organisation.</p> <p>One mark for the correct identification</p> <p>To increase international trade</p>	<p>[1]</p>
<p>4(b)</p>	<p>How many jobs, does Fig. 6 suggest, have been created in the European Union with freer trade?</p> <p>One mark for the correct identification</p> <p>300,000 – 900,000</p>	<p>[1]</p>

Question Number	Answer	Max Mark
4(c)	<p>Discuss why protectionism in the US car market (lines 26 – 27) caused job losses amongst US car workers.</p> <p>Level 4 5-6 marks</p> <p>Candidate evaluates the impact of protectionism on the UK car market. Candidate should illustrate supply and demand analysis. Candidate has been able to demonstrate and apply knowledge and understanding. The candidate should have analysed with reference to the question.</p> <p>Level 3 3-4 marks</p> <p>Candidate analyses the impact of protectionism on the UK car market. Knowledge and understanding has been demonstrated and applied/understood.</p> <p>Level 2 1-2 marks</p> <p>Candidate demonstrates an understanding of job losses and protectionism purely taken from the article. A basic knowledge and understanding has been demonstrated.</p> <p>0 marks No evidence submitted or response does not address the question.</p> <p>Indicative Content</p> <p>Candidate may explain protectionism as restricting supply of imported cars and thereby raising prices and making domestic production more competitive. However, the overall increase in the price of cars reduces demand and as such jobs are lost. Good answers may be supported with supply and demand diagrams illustrating how protectionism works and how higher prices in the car market might reduce demand and hence the demand for car workers.</p>	[6]

Question Number	Answer	Max Mark
4(d)	<p>To what extent might technological advance (line 12) create employment in a country? Give reasons for your answer.</p> <p>Level 3 5-6 marks</p> <p>Candidate analyses the impact of technology illustrating that jobs can both be created and lost.</p> <p>In Level 3 the candidate who demonstrates either excellent analysis or weaker analysis and some evaluation can obtain full marks. Knowledge and understanding has been demonstrated and applied/understood.</p> <p>Level 2 3-4 marks</p> <p>Candidate demonstrates an understanding of the impact of technology in either creating or losing jobs. A basic knowledge and understanding has been demonstrated.</p> <p>Level 1 1-2 marks</p> <p>Candidate demonstrates knowledge of the basic impact of technology on jobs – jobs are lost/ jobs are created.</p> <p>0 marks No evidence submitted or response does not address the question.</p> <p>Indicative Content</p> <p>New technology may make an industry/country more price competitive thus creating more jobs. However, new technology may mean capital being substituted for labour leading to technological unemployment. Better candidates may support their evaluation with a demand and supply diagram showing the supply curve shifting to the right with reducing costs and more being supplied at each and every price.</p>	[6]

Question Number	Answer	Max Mark
5(a)	<p>Sheafali works for ‘Convergys’ a US multinational (line 4). Explain what is meant by a multinational company.</p> <p>One mark for the correct identification e.g. stating that it is a large international company</p> <p>Two marks for developing the answer and further explanation e.g. Larger company – owned in one country but trades across the world</p> <p>Often has ‘plants’ in developing countries to exploit low wages etc.</p> <p>Maximum three marks</p>	[3]
5(b)	<p>Discuss why many of the car firms (lines 8 –10) are now developing low cost cars for markets such as the Asian market.</p> <p>Level 4 7-8 marks</p> <p>Candidate evaluates the impact of an expanding low wage economy with demand for low priced cars as opposed to more expensive, less economical cars linked with high (taxed) priced petrol. Complex ideas have been expressed clearly and fluently using a style of writing appropriate to the subject matter. There may be a few, if any, errors of spelling, punctuation and grammar. Candidate has been able to demonstrate and apply knowledge and understanding. The candidate should have analysed with reference to the question.</p> <p>Level 3 5-6 marks</p> <p>Candidate analyses the impact of an expanding low wage economy with demand for low priced cars as opposed to more expensive, less economical cars linked with high (taxed) priced petrol. Relatively straightforward ideas have been expressed with some clarity and fluency. There will be some errors of spelling, punctuation and grammar, but these are unlikely to be intrusive or obscure meaning. Knowledge and understanding has been demonstrated and applied/understood.</p> <p>Level 2 3-4 marks</p> <p>Candidate demonstrates an understanding of increasing demand for low priced cars. Some simple ideas have been expressed in an appropriate context. There are likely to be some errors of spelling, punctuation and grammar of which some may be noticeable and intrusive. A basic knowledge and understanding has been demonstrated.</p> <p>Level 1 1-2 marks</p> <p>Candidate demonstrates knowledge of linking low wages to affording low cost cars. May be in the form of a list. Some simple ideas have been expressed. There will be some errors of spelling, punctuation and grammar which will be noticeable and intrusive.</p>	

Question Number	Answer	Max Mark
<p>5(b) cont'd</p>	<p>0 marks No evidence submitted or response does not address the question.</p> <p>Indicative Content</p> <p>High population and increasing real incomes means increased demand for cars. Areas such as the Asian market clearly have a growing demand for low priced cars. Car manufactures are faced with over capacity and falling demand for large expensive cars due to green issues and increasing running costs eg higher taxation – higher oil prices etc. Manufacturers, faced with declining demand in one market, are seeking opportunities in the rapidly growing ‘economy’ market of the developing countries.</p>	<p>[8]</p>
<p>6(a)</p> <p>6(b)</p> <p>6(c)</p>	<p>Explain what is meant by ‘wealth per capita US\$’.</p> <p>One mark for each of two correct explanations -</p> <p>Total wealth of a country (in dollars) one mark</p> <p>Per capita - divided by number in population one mark</p> <p>Tick <u>one</u> country which has wealth of over \$50,000 per capita and <u>one</u> that has wealth less than \$2000 per capita.</p> <p>One mark for each of two correct identifications</p> <p>\$50,000 + USA one mark</p> <p>\$2,000 and below India one mark</p> <p>Discuss why many developing countries find it difficult to gain from globalisation.</p> <p>Level 4</p> <p>9-10 marks</p> <p>Candidate evaluates the extent to which barriers to enjoying the benefits of globalisation impact on developing countries. A wider perspective is required for 10 marks. Complex ideas have been expressed clearly and fluently using a style of writing appropriate to the subject matter. There may be a few, if any, errors of spelling, punctuation and grammar. Candidate has been able to demonstrate and apply knowledge and understanding. The candidate should have analysed with reference to the question</p> <p>Level 3</p> <p>7-8 marks</p> <p>Candidate analyses the extent to which barriers to enjoying the benefits of globalisation impact on developing countries. Relatively straightforward ideas have been expressed with some clarity and fluency. There will be some errors of spelling, punctuation and grammar, but these are unlikely to be intrusive or obscure meaning. Knowledge and understanding has been demonstrated and applied/understood.</p>	<p>[2]</p> <p>[2]</p>

Question Number	Answer	Max Mark
<p>6(c) cont'd</p>	<p>Level 2 4-6 marks</p> <p>Candidate demonstrates an understanding of the obstacles faced by developing economies. Some simple ideas have been expressed in an appropriate context. There are likely to be some errors of spelling, punctuation and grammar of which some may be noticeable and intrusive. A basic knowledge and understanding has been demonstrated.</p> <p>Level 1 1-3 marks</p> <p>Candidate demonstrates knowledge of some obstacles faced by developing economies. May be in the form of a list. Some simple ideas have been expressed. There will be some errors of spelling, punctuation and grammar which will be noticeable and intrusive.</p> <p>0 marks No evidence submitted or response does not address the question.</p> <p>Indicative Content</p> <p>Answers to the above should focus around – poor policies and infrastructure, lack of resources and education, weak institutions, corrupt governance, geographical and climatic disadvantage.</p>	<p>[10]</p>
<p>7</p>	<p>To what extent has the UK economy gained from globalisation? Use evidence from the data to give reasons for your answer.</p> <p>Level 4 10-12 marks</p> <p>Candidate evaluates the opportunities and threats of globalisation for the UK with a conclusion reached – complex issues are discussed with clear reference to data. Complex issues have been expressed clearly and fluently using a style of writing appropriate to the complex subject matter. Sentences and paragraphs are consistently relevant, and have been well structured, using appropriate technical terminology. There may be few, if any, errors of spelling, punctuation and grammar. Candidate has been able to demonstrate and apply knowledge and understanding. The candidate should have analysed with reference to the question.</p>	

Question Number	Answer	Max Mark
<p style="text-align: center;">7 cont'd</p>	<p>Level 3 7-9 marks</p> <p>Candidate analyses the opportunities and threats of globalisation for the UK economy. Relatively straightforward ideas have been expressed with some clarity and fluency. Arguments are generally relevant, though may stray from the point of the question. There will be some errors of spelling, punctuation and grammar, but these are unlikely to be intrusive or obscure meaning. Knowledge and understanding has been demonstrated and applied/understood.</p> <p>Level 2 4-6 marks</p> <p>Candidate demonstrates an understanding of globalisation and the UK economy – simple ideas are expressed in an appropriate way. Some simple ideas have been expressed in an appropriate context. There are likely to be some errors of spelling, punctuation and grammar of which some may be noticeable and intrusive. A basic knowledge and understanding has been demonstrated.</p> <p>Level 1 1-3 marks</p> <p>Candidate demonstrates a knowledge of the things in favour and/or against globalisation – simple ideas have been expressed.</p> <p>Some simple ideas have been expressed. There will be some errors of spelling, punctuation and grammar which will be noticeable and intrusive. Writing may also lack legibility.</p> <p>0 marks No evidence submitted or response does not address the question.</p> <p>Indicative Content</p> <p>Threats may include – low cost competition, jobs lost re outsourcing, structural unemployment, threats to global and UK environment, inflationary risks, Balance of Payments problems etc.</p> <p>Opportunities may include cheaper imports, boosts to living standards.</p> <p>Opportunities for exports – opportunities from technological change – opportunities from migration etc. For levels 3 and 4 there should be some clear reference to evidence from the data.</p>	<p style="text-align: right;">[12]</p>
	Total	[80]

Assessment Objectives Grid (includes QWC)

Question	AO1	AO2	AO3	Total
1(a)		1		1
1(b)		2		2
1(c)	2			2
2(a)		1		1
2(b)	1			1
2(c)		1		1
2(d)		1		1
2(e)	1			1
2(f)	2	2	2	6
3(a)	2			2
3(b)	1	2		3
3(c)	2	2	4	8
4(a)	1			1
4(b)		1		1
4(c)		2	4	6
4(d)	2	2	2	6
5(a)	3			3
5(b)	2	2	4	8
6(a)	2			2
6(b)		2		2
6(c)	3	3	4	10
7	3	3	6	12
Totals	27	27	26	80