



ECONOMICS

9772/03

Paper 3 Investigation

May/June 2019

MARK SCHEME

Maximum Mark: 40

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

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

Cambridge International is publishing the mark schemes for the May/June 2019 series for most Cambridge IGCSE™, Cambridge International A and AS Level and Cambridge Pre-U components, and some Cambridge O Level components.

Generic Marking Principles

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptors for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

Question	Answer	Marks
Transport and the Environment		
1	<p data-bbox="316 324 1315 425">To what extent do you agree with the view that current transport policy is in danger of giving too high a priority to environmental protection at the expense of other important objectives?</p> <p data-bbox="316 459 1315 1232">Candidates should be able to provide a range of ways in which current transport policy attempts to address the goal of environmental protection or environmental sustainability. There is room for varying interpretations of what constitutes a transport policy that aims to achieve environmental protection and as long as candidates provide sound analytical justification for the link between policy and environmental protection, credit will be given. The question is clearly comparative and stronger candidates will attempt to reach a judgement around two areas: firstly, does transport policy aim for environmental protection or are there other objectives that are prioritised? Secondly, if there is a focus on environmental protection, is this justified in relation to other objectives? Candidates are invited to discuss other objectives that may be the focus of transport policy, both hypothetically and based on current evidence. Weaker candidates will ignore the imperative to discuss the nature of transport policy in relation to environmental protection and instead go straight into discussing alternative policy objectives. When analysing the possible primary objectives of transport policy there is scope for better candidates to disaggregate in a number of ways, including by mode of transport, type of government, scope of policy and different elements of environmental protection. The best candidates will provide a deep consideration of whether the tension suggested in the question – that there is either a focus on environmental protection or on other objectives – actually exists, or whether environmental protection may actually enable other objectives to be achieved.</p> <p data-bbox="316 1265 1315 1668">Candidates should use appropriate analytical tools and data to support their arguments. They should reach a clear and well-supported conclusion. Conclusions may focus on whether current transport does actually prioritise environmental protection or whether environmental protection as an objective is detrimental to other objectives. Good candidates will make a judgement on both areas. Stronger candidates will recognise that there are many different elements to transport policy, often with different objectives. They will also understand that objectives can be interdependent. Stronger candidates may look at the question from a range of perspectives e.g. policies for different modes of transport or geographical areas whilst narrower scripts may only look at transport policy as a single general approach to transport by the government.</p> <p data-bbox="316 1702 965 1736">Analysis may be assisted by the use of diagrams.</p>	40

Question	Answer	Marks
1	<p>Answers may include:</p> <p>Knowledge and understanding of the types of transport policy and its objectives</p> <p>Examples:</p> <ul style="list-style-type: none"> • Ways in which transport policy aims to ensure environmental protection e.g. low emissions zones, diesel scrappage schemes, promotion of public transport, rail electrification etc. • Alternative objectives of transport policy e.g. labour market mobility, economic growth, international competitiveness, connectivity, modal integration, improved productivity, reducing journey times • Specific transport policy in the UK and abroad <p>Application of the types of environmental protection transport policy can aim for and of alternative objectives for policy to pursue</p> <p>Examples:</p> <ul style="list-style-type: none"> • (Ultra) Low emissions zones • Diesel scrappage scheme • EU pollution limits / clean air regulations • Electrification of railways • Promotion of electric vehicles • Cycling promotion schemes – cycle superhighways, city bikes, cycle to work tax deductions • Public transport infrastructure improvements – HS2, Crossrail • Cost-benefit analysis on airport expansion in the South East • Alternative fuel promotion • There are many examples from across the world of transport policies that promote environmental protection <ul style="list-style-type: none"> • e.g. In the Netherlands, in 2016, cars emitting zero CO₂ at the tailpipe are exempt from paying registration tax. For other cars there is a differentiated taxation scheme with five levels of CO₂ emissions with progressively increasing taxation per g CO₂ / km. • e.g. In Norway, EVs are exempt from purchase taxes about 100 000 kroner. They are also exempt from VAT (set to 25% of the vehicle price before tax). The VAT exemption does not apply to all electric cars. • e.g. In Portugal, electric vehicles exempt from vehicle registration about EUR 1250, and circulation taxes. Scrapping existing vehicles for a selection of electric vehicles also entitles buyers to a bonus of EUR 4500 • e.g. In Sweden, passenger vehicles with emissions levels lower than 50 g CO₂ / km have been granted a 40 000 kronor rebate since 2011. 	

Question	Answer	Marks
1	<ul style="list-style-type: none"> • Alternative transport policy objectives: <ul style="list-style-type: none"> • Reduced journey times for high-speed rail (productivity, connectivity, labour market flexibility) • Improved international competitiveness from Heathrow expansion • Efficiency and cost savings for the government from rail privatisation and PPPs • Reductions in obesity and promotion of healthy lifestyles with walking and cycling schemes • Labour market, FDI and employment benefits from regional schemes such as the Northern Powerhouse, electrification and Crossrail • Equality and accessibility from the Freedom Pass, disabled access, Oyster Zip Cards • Connectivity with other public services such as schools, hospitals, urban centres, rural connectivity • Integration between different modes for example tram with train and bus in Manchester, cycle access on trains • Wider government objectives that may or may not be compromised by a focus on environmental protection: <ul style="list-style-type: none"> • Employment • Economic growth • Deficit reduction • International competitiveness / trade balance • Productivity promotion • Inequality reduction <p>Analysis of the way in which transport policy promotes environmental protection and how this may harm or help alternative government objectives. Analysis of the alternative policy priorities of transport policy.</p> <p>Candidates must go beyond simply explaining how transport policy protects the environment. Crucial to good analysis is the analysis of how the goal of environmental protection may affect other objectives. Candidates are also given the opportunity to analyse competing goals of transport policy in order to challenge the assumption that environmental protection is given too high a priority.</p>	

Question	Answer	Marks
1	<p>Analysis points could include:</p> <ul style="list-style-type: none"> • Standard externality effects of transport that demand greater environmental protection • Ways in which transport policy contributes to environmental protection • The negative impacts environmental protection could have on other objectives – drag on growth, higher costs of production, loss of investment and FDI, reduced competitiveness, inefficiencies from compliance and enforcement • The ways in which greater environmental protection as a result of transport policy may contribute to the achievement of other objectives – improved productivity, long term health benefits reducing pressures on the NHS and the budget deficit, attraction of inward investment, lower long term costs of production and efficiency savings, higher employment in industries that develop to improve environmental protection • Possible alternative objectives of current policy that suggest environmental protectionism is not being given too high a priority • Government failure in the design and implementation of policies to promote environmental protection for example information failure, non-revealed preference, misjudging social costs and benefits <p>Evaluation of whether transport policy harms other objectives due to the prioritisation of environmental protection.</p> <p>Lower level evaluation will evaluate individual environmental policies and their impact on the environment rather than linking them to other government objectives.</p> <p>Stronger evaluation will unpick the extent to which environmental protection is harmful to or may support the achievement of alternative objectives. Higher level evaluation may also question the extent to which environmental is actually prioritised by current transport policy and whether or not greater focus on the environment is necessary. The best candidates will attempt to unpick the different elements of environmental protection in relation to transport policy to potentially show the conditions under which environmental protection is more or less harmful.</p>	

Question	Answer	Marks
1	<p>Candidates may disaggregate different aspects of transport policy and different methods of environmental protection. They will be expected to disaggregate a number of alternative policy objectives.</p> <p>Evaluation points may include:</p> <ul style="list-style-type: none"> • Does it depend on different governments and different economic conditions in different countries? • The time frame under consideration • The practical difficulties of implementing environmental protection and the likelihood of government failure • Policy conflicts and trade-offs • Critical awareness over the need to prioritise transport problems and objectives • Different stakeholders conflicting perspectives • Environmental protection policies may be conflicting for example efforts to reduce carbon emissions led to moves towards diesel and away from petrol which in turn increased particulate matter • The extent to which transport policy does actually prioritise the environment • Is there such thing as a single, coherent transport policy? Do priorities differ by region, mode, stakeholder etc? • The extent to which transport policy objectives should match wider government economic objectives • Who is actually in control of policy and the policy agenda? What scope does government have to change things? 	

Question	Answer	Marks				
1	<p data-bbox="316 248 608 286">Theory and Analysis</p> <table border="1" data-bbox="316 320 1310 1962"> <tr> <td data-bbox="316 320 579 1021"> <p data-bbox="352 338 542 434">Level 4 (18–22 marks) Mid mark 20</p> </td> <td data-bbox="579 320 1310 1021"> <p data-bbox="592 338 1297 1003">In this level candidates are clearly able to demonstrate the ways in which transport policy may not only aim to protect the environment but must also consider how the pursuit of environmental protection can affect wider economic objectives. There should be a clear link between environmental protection and its impact on other objectives. Candidates in this level should have a sense of what ‘transport policy’ constitutes, although this may be subject to debate or defined in different ways. The best answers will look at policy in a variety of ways, for instance considering policy by mode, country, region or stakeholder. There will be in-depth analysis which will show good independent research to support their points, particularly with reference to examples of how transport policy could be considered to be aiming at environmental protection. The best candidates may attempt to disaggregate the concept of environmental protection to look at different priorities within this broad concept.</p> </td> </tr> <tr> <td data-bbox="316 1021 579 1962"> <p data-bbox="352 1039 542 1135">Level 3 (12–17 marks) Mid mark 15</p> </td> <td data-bbox="579 1021 1310 1962"> <p data-bbox="592 1039 1297 1951">In this level, a clear attempt is made to answer the specific question set in terms of how transport policy may or may not be seen to prioritise the environment and the impact of this focus on other objectives. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of how transport policy can achieve a variety of objectives with environmental protection given substantial analysis. For the top of the mark band the analysis must go beyond simply explaining how a policy does or does not protect the environment. Relevant supporting data and diagrammatical analysis are clearly evident. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. There is some attempt to use independent research to support their points but at the lower end this may be more superficial and unsubstantiated. A range of perspectives is discussed but may lack critical awareness at times for example candidates at the lower end. At the lower end of this level, candidates must still address the policy objective of environmental protection, although the analytical links to the impact upon other objectives may be limited. The candidate may lack breadth by adopting generalisations about transport, discussing a narrow range of modes or policies. The debate may lack</p> </td> </tr> </table>	<p data-bbox="352 338 542 434">Level 4 (18–22 marks) Mid mark 20</p>	<p data-bbox="592 338 1297 1003">In this level candidates are clearly able to demonstrate the ways in which transport policy may not only aim to protect the environment but must also consider how the pursuit of environmental protection can affect wider economic objectives. There should be a clear link between environmental protection and its impact on other objectives. Candidates in this level should have a sense of what ‘transport policy’ constitutes, although this may be subject to debate or defined in different ways. The best answers will look at policy in a variety of ways, for instance considering policy by mode, country, region or stakeholder. There will be in-depth analysis which will show good independent research to support their points, particularly with reference to examples of how transport policy could be considered to be aiming at environmental protection. The best candidates may attempt to disaggregate the concept of environmental protection to look at different priorities within this broad concept.</p>	<p data-bbox="352 1039 542 1135">Level 3 (12–17 marks) Mid mark 15</p>	<p data-bbox="592 1039 1297 1951">In this level, a clear attempt is made to answer the specific question set in terms of how transport policy may or may not be seen to prioritise the environment and the impact of this focus on other objectives. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of how transport policy can achieve a variety of objectives with environmental protection given substantial analysis. For the top of the mark band the analysis must go beyond simply explaining how a policy does or does not protect the environment. Relevant supporting data and diagrammatical analysis are clearly evident. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. There is some attempt to use independent research to support their points but at the lower end this may be more superficial and unsubstantiated. A range of perspectives is discussed but may lack critical awareness at times for example candidates at the lower end. At the lower end of this level, candidates must still address the policy objective of environmental protection, although the analytical links to the impact upon other objectives may be limited. The candidate may lack breadth by adopting generalisations about transport, discussing a narrow range of modes or policies. The debate may lack</p>	
<p data-bbox="352 338 542 434">Level 4 (18–22 marks) Mid mark 20</p>	<p data-bbox="592 338 1297 1003">In this level candidates are clearly able to demonstrate the ways in which transport policy may not only aim to protect the environment but must also consider how the pursuit of environmental protection can affect wider economic objectives. There should be a clear link between environmental protection and its impact on other objectives. Candidates in this level should have a sense of what ‘transport policy’ constitutes, although this may be subject to debate or defined in different ways. The best answers will look at policy in a variety of ways, for instance considering policy by mode, country, region or stakeholder. There will be in-depth analysis which will show good independent research to support their points, particularly with reference to examples of how transport policy could be considered to be aiming at environmental protection. The best candidates may attempt to disaggregate the concept of environmental protection to look at different priorities within this broad concept.</p>					
<p data-bbox="352 1039 542 1135">Level 3 (12–17 marks) Mid mark 15</p>	<p data-bbox="592 1039 1297 1951">In this level, a clear attempt is made to answer the specific question set in terms of how transport policy may or may not be seen to prioritise the environment and the impact of this focus on other objectives. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of how transport policy can achieve a variety of objectives with environmental protection given substantial analysis. For the top of the mark band the analysis must go beyond simply explaining how a policy does or does not protect the environment. Relevant supporting data and diagrammatical analysis are clearly evident. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. There is some attempt to use independent research to support their points but at the lower end this may be more superficial and unsubstantiated. A range of perspectives is discussed but may lack critical awareness at times for example candidates at the lower end. At the lower end of this level, candidates must still address the policy objective of environmental protection, although the analytical links to the impact upon other objectives may be limited. The candidate may lack breadth by adopting generalisations about transport, discussing a narrow range of modes or policies. The debate may lack</p>					

Question	Answer		Marks
1		sophistication for example assuming that environmental protection will necessarily come at the expense of growth.	
	Level 2 (6–11 marks) Mid mark 9	At the top end of this level, a generalised attempt to answer the question has been made but candidates fall short on critical awareness or current context. They may make only a superficial attempt to answer the specific question set – in this case, they fail to focus on the link between transport policy and wider objectives, be they environmental or otherwise – instead, they focus solely on proposing and evaluating policies with the impact on objectives only made superficially and may explain the varying objectives of transport policy without clearly analysing how an environmental focus may affect other objectives. At the mid-bottom of this level, the answer will either lack contextual awareness and supporting evidence and/or read like a Paper 2 theoretical response.	
	Level 1 (1–5 marks) Mid mark 3	There is a lack of understanding of what a greater role for the government means in the context of the problems associated with transport, focussing exclusively on the problems associated with transport.	

Question	Answer	Marks						
1	<p data-bbox="316 248 469 282">Evaluation</p> <table border="1" data-bbox="316 320 1315 1288"> <tbody> <tr> <td data-bbox="316 320 580 824"> <p data-bbox="352 338 544 434">Level 3 (13–18 marks) Mid mark 16</p> </td> <td data-bbox="580 320 1315 824"> <p data-bbox="592 338 1294 801">Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion – that is substantiated – at the end that relates specifically to the set question, even if the conclusion suggests that environmental protection is not clearly detracting from other objectives in all areas. The two broad areas of evaluation in this level would be expected to around whether UK transport policy is actually prioritising environmental protection and if so, whether it is right to have this focus.</p> </td> </tr> <tr> <td data-bbox="316 824 580 1025"> <p data-bbox="352 842 544 938">Level 2 (7–12 marks) Mid mark 10</p> </td> <td data-bbox="580 824 1315 1025"> <p data-bbox="592 842 1278 1003">At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas unexplored and conclusions may lack any rigorous justification. Conclusions may do little more than sit on the fence.</p> </td> </tr> <tr> <td data-bbox="316 1025 580 1288"> <p data-bbox="352 1043 544 1140">Level 1 (1–6 marks) Mid mark 4</p> </td> <td data-bbox="580 1025 1315 1288"> <p data-bbox="592 1043 1278 1272">Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, ‘Transport policy pursues environmental protection at the expense of growth and employment’. There is no attempt to draw together the relevant issues in a conclusion.</p> </td> </tr> </tbody> </table>	<p data-bbox="352 338 544 434">Level 3 (13–18 marks) Mid mark 16</p>	<p data-bbox="592 338 1294 801">Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion – that is substantiated – at the end that relates specifically to the set question, even if the conclusion suggests that environmental protection is not clearly detracting from other objectives in all areas. The two broad areas of evaluation in this level would be expected to around whether UK transport policy is actually prioritising environmental protection and if so, whether it is right to have this focus.</p>	<p data-bbox="352 842 544 938">Level 2 (7–12 marks) Mid mark 10</p>	<p data-bbox="592 842 1278 1003">At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas unexplored and conclusions may lack any rigorous justification. Conclusions may do little more than sit on the fence.</p>	<p data-bbox="352 1043 544 1140">Level 1 (1–6 marks) Mid mark 4</p>	<p data-bbox="592 1043 1278 1272">Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, ‘Transport policy pursues environmental protection at the expense of growth and employment’. There is no attempt to draw together the relevant issues in a conclusion.</p>	
<p data-bbox="352 338 544 434">Level 3 (13–18 marks) Mid mark 16</p>	<p data-bbox="592 338 1294 801">Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion – that is substantiated – at the end that relates specifically to the set question, even if the conclusion suggests that environmental protection is not clearly detracting from other objectives in all areas. The two broad areas of evaluation in this level would be expected to around whether UK transport policy is actually prioritising environmental protection and if so, whether it is right to have this focus.</p>							
<p data-bbox="352 842 544 938">Level 2 (7–12 marks) Mid mark 10</p>	<p data-bbox="592 842 1278 1003">At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas unexplored and conclusions may lack any rigorous justification. Conclusions may do little more than sit on the fence.</p>							
<p data-bbox="352 1043 544 1140">Level 1 (1–6 marks) Mid mark 4</p>	<p data-bbox="592 1043 1278 1272">Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, ‘Transport policy pursues environmental protection at the expense of growth and employment’. There is no attempt to draw together the relevant issues in a conclusion.</p>							

Question	Answer	Marks
China and the Global Economy		
2	<p data-bbox="316 327 1315 394">To what extent does China’s ongoing economic transformation pose a threat to both developing and developed economies?</p> <p data-bbox="316 427 1315 1128">Candidates should clearly explain what they interpret to be ‘China’s ongoing economic transformation’ in their answers. The question is primarily forward-looking and this will be evident in good answers. Any students who purely look at China’s retrospective impact on countries since 1979 will score poorly. Equally, the question is focusing on impacts on the world economy and disaggregating to the level of developed and developing economies. As a result, candidates who discuss China’s transformation, its features and its future form with only cursory application to other economies will fail to reach higher the levels of the mark scheme. There is clear scope within the question for students to provide their own insights and interpretation of ‘China’s economic transformation’ and it is expected that answers will provide a wide range of changes that are taking place within the Chinese economy. Equally, the question invites candidates to demonstrate their independent research into China’s impact on the world economy, with candidates able to use their own research into particular economies and their relationship with China. It is expected that candidates will be able to provide examples from at least one developed and one developing economy. Stronger candidates will challenge the categorisation of economies into ‘developed’ and ‘developing’ and are likely to further disaggregate to show that the effects of China’s transformation are multifaceted.</p> <p data-bbox="316 1167 1315 1498">Good candidates will see the term ‘threat’ as an opportunity to challenge the question and unpick the ways in which Chinese transformation may be a threat but also an opportunity for certain economies. Given the length of this paper, candidates will be expected to analyse a variety of different features of ‘China’s economic transformation’ in order to score higher marks. Students who narrowly focus on one feature of the transformation, for example the movement to a more consumption-based economy will struggle to achieve the higher levels. Equally, a narrow consideration of possible threats, for instance solely in terms of export-competition will again score in the lower bands.</p> <p data-bbox="316 1536 1315 1666">They should use appropriate analytical tools and data to support their arguments. They should be able to come to a clear and supported conclusion on the extent to which the transformation poses a threat to different types of economy around the world.</p>	40

Question	Answer	Marks
2	<p>Answers may include:</p> <p>Knowledge and understanding of China's economic transformation and its possible impact on other economies</p> <p>Examples:</p> <ul style="list-style-type: none"> • The elements of Chinese economic transformation – promotion of domestic demand, attempts to move up the value chain, labour market and social reforms, state own industries entering new markets, regional trade agreements, education reform, elements of privatisation, infrastructure development, FDI policies abroad, economic sustainability and environmental policies etc. • The nature of the growth model e.g. yuan manipulation, surplus labour, state owned enterprises, free trade zones, 'Go Out' policy. • Changing economic model – Sixth Plenum reforms; 13th 5-yr plan • Impacts on developed economies – negative externalities, threats to international competitiveness and export markets, opportunities presented by the Chinese domestic market, FDI opportunities and threats, investment partnerships with Chinese economies, Yuan as a global currency, Chinese support for or opposition to global free trade, labour movements etc. • Impacts on developing economies – negative externalities, threats to international competitiveness and export markets, opportunities presented by the Chinese domestic market and China's unit labour costs rising, infrastructure and FDI investment, brain gain and brain drain impacts, regional trade agreements, changing Chinese consumer tastes and demand for raw materials etc. <p>Application of different aspects of the 'economic transformation' and 'threats'. There is significant scope for candidates to provide a variety of examples from their research into China's impact on the global economy using both developed and developing economy case studies. Candidates will be rewarded by using the application to different economies as a way to show it is difficult to generalise about the potential effects on developed and developing economies.</p> <p>Examples:</p> <ul style="list-style-type: none"> • Different elements of the economic transformation of the Chinese economy • Threats to developing economies – differences between economies of South East and Southern Asia and African economies • Opportunities for developing economies such as trade, alternative development models, FDI, labour flows, technology transfer. • Threats to developed economies – differences between the relationship with USA versus links with Europe, Japan, Australia and emerging influence in the Middle East • Opportunities for developed economies such as trade, FDI, labour flows, technology transfer. 	

Question	Answer	Marks
2	<p>Analysis both of the nature of ‘China’s economic transformation’ and of the potential impacts on developing and developed economies.</p> <p>Candidates should be rewarded for supporting their analysis with diagrams. Good candidates will be able to illustrate their points with specific contexts and supporting data. To reach higher levels of analysis candidates must analyse how the transformation they specify will affect other economies, using the categorisation of ‘developing’ and ‘developed’ as a foundation for the analysis.</p> <p>Examples of analytical points:</p> <ul style="list-style-type: none"> • Changing unit labour costs pose an opportunity to compete with Chinese exports • Shifting comparative advantage and moves up the value chain posing both opportunities and threats to firms, consumers and current accounts • The role of Chinese FDI and infrastructure investment in driving economic growth and employment • The potential negative externalities and dependency caused by Chinese FDI • The opportunities presented by the growing Chinese middle class and a shift towards consumption • Human capital and labour market impacts of movements of labour • Opportunities and threats posed by privatisation policies • The role of state-owned enterprises in competing in export markets but also investing in economies • Chinese leadership in multilateral and bilateral trade agreements • The rise of debt in China and the response to this rise from the Chinese government as potentially posing risks to global economic stability and contagion effects <p>Evaluation should be primarily around the extent of the ‘threat’ posed by the economic transformation. Evaluation may also consider the extent to which an ‘economic transformation’ is taking place and may debate the exact nature of this transformation.</p> <p>At the lower end, candidates are likely to be predominantly backward-looking in their evaluation of China’s impact on other economies. Weaker candidates will provide an outdated characterisation of the Chinese economy, showing a lack awareness of the transformation that is occurring or only seeing the transformation in terms of a single change. At higher levels candidates will recognise that China’s approach has adapted and changed over the past decade and continues to do so.</p> <p>Good evaluation will involve candidates looking at different elements of the economic transformation making a judgement about the extent of the ‘threat’ provided by each elements. The level of critical awareness and reference to examples will be a differentiating factor when looking at the potential impacts on different economies. Strong candidates will be able to refer to multiple examples when making a judgement on the level of threat posed across developing and developed economies.</p>	

Question	Answer	Marks
2	<p>Judgements may also occur about the nature of the transformation itself. Stronger candidates may attempt to judge whether some elements are more important than others in terms of the level of the threat posed for other economies and may also argue that the transformation process is dynamic and as such may take a number of different paths in the future.</p> <p>Strong evaluation will try to weigh up in some way as to agree or disagree with the statement in the question, even if this is to point out the difficulty in coming to a definite conclusion on the level and nature of the threat posed.</p> <p>Possible evaluation points:</p> <ul style="list-style-type: none"> • Under which conditions or for which types of economy does the transformation pose more or less of a threat? • To what extent can the transformation be seen as an opportunity rather than a threat • The timeframe involved • Judgements around ways to categorise and group economies – does the developing-developed dichotomy make sense? Which economies are more affected than others? • To what extent is the transformation complete? What does the transformation look like in the future? Can we yet know the impact of some of the changes China is undergoing? • What endogenous and exogenous factors will determine the nature of the Chinese transformation and therefore its impact on other economies? • Which elements of the Chinese economic transformation are more or less threatening? 	

Question	Answer	Marks				
2	<p data-bbox="316 255 608 288">Theory and Analysis</p> <table border="1" data-bbox="316 322 1318 1917"> <tr> <td data-bbox="323 333 531 472"> <p data-bbox="339 344 515 461">Level 4 (18–22 marks) Mid mark 20</p> </td> <td data-bbox="539 333 1310 1088"> <p data-bbox="547 344 1302 1077">In this level, the answer shows a thorough understanding both of the Chinese economic transformation and its potential impact on other economies. There will be in-depth analysis which links a feature of the economic transformation to other economies. It is crucial for this level of analysis that there are not simply effects on developing and developed economies but they are linked to the transformation of the Chinese economy. As such, candidates will be expected to attempt to identify this transformation and this may be done in a variety of ways. The elements of the transformation covered are sufficiently broad to constitute deep analysis. Candidates use their independent research to directly address the developing-developed economy distinction made in the question and then go on to show the distinctions that can lie within these two groups. At the top end of this Level, answers are able to show how changes can impact other economies in different ways depending on the conditions present in an economy. Answers are clearly forward-looking, addressing future changes and potential impacts. There is clear evidence of independent research to support their points.</p> </td> </tr> <tr> <td data-bbox="323 1099 531 1238"> <p data-bbox="339 1111 515 1227">Level 3 (12–17 marks) Mid mark 15</p> </td> <td data-bbox="539 1099 1310 1906"> <p data-bbox="547 1111 1302 1895">In this level, a clear attempt is made to answer the specific question set on the level of threat posed by China’s economic transformation. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a wide range of different elements of the economic transformations. A narrow focus on a single element of the economic transformation would only achieve low level 3 if it is covered in significant depth or applied to a wide range of different economies. There is relevant supporting data and diagrammatical analysis. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. There is a reasonable attempt to use independent research to support their points but at the lower end this may be more superficial and unsubstantiated. Broad coverage of the elements of economic transformation may be constrained by a lack of critical awareness or narrow range of application to other economies. At the lower end of this level, candidates may lack critical awareness into the nature and characteristics of developing and developed economies and will tend to use a single economy or make non-contextual statements to make broad generalisations about all</p> </td> </tr> </table>	<p data-bbox="339 344 515 461">Level 4 (18–22 marks) Mid mark 20</p>	<p data-bbox="547 344 1302 1077">In this level, the answer shows a thorough understanding both of the Chinese economic transformation and its potential impact on other economies. There will be in-depth analysis which links a feature of the economic transformation to other economies. It is crucial for this level of analysis that there are not simply effects on developing and developed economies but they are linked to the transformation of the Chinese economy. As such, candidates will be expected to attempt to identify this transformation and this may be done in a variety of ways. The elements of the transformation covered are sufficiently broad to constitute deep analysis. Candidates use their independent research to directly address the developing-developed economy distinction made in the question and then go on to show the distinctions that can lie within these two groups. At the top end of this Level, answers are able to show how changes can impact other economies in different ways depending on the conditions present in an economy. Answers are clearly forward-looking, addressing future changes and potential impacts. There is clear evidence of independent research to support their points.</p>	<p data-bbox="339 1111 515 1227">Level 3 (12–17 marks) Mid mark 15</p>	<p data-bbox="547 1111 1302 1895">In this level, a clear attempt is made to answer the specific question set on the level of threat posed by China’s economic transformation. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a wide range of different elements of the economic transformations. A narrow focus on a single element of the economic transformation would only achieve low level 3 if it is covered in significant depth or applied to a wide range of different economies. There is relevant supporting data and diagrammatical analysis. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. There is a reasonable attempt to use independent research to support their points but at the lower end this may be more superficial and unsubstantiated. Broad coverage of the elements of economic transformation may be constrained by a lack of critical awareness or narrow range of application to other economies. At the lower end of this level, candidates may lack critical awareness into the nature and characteristics of developing and developed economies and will tend to use a single economy or make non-contextual statements to make broad generalisations about all</p>	
<p data-bbox="339 344 515 461">Level 4 (18–22 marks) Mid mark 20</p>	<p data-bbox="547 344 1302 1077">In this level, the answer shows a thorough understanding both of the Chinese economic transformation and its potential impact on other economies. There will be in-depth analysis which links a feature of the economic transformation to other economies. It is crucial for this level of analysis that there are not simply effects on developing and developed economies but they are linked to the transformation of the Chinese economy. As such, candidates will be expected to attempt to identify this transformation and this may be done in a variety of ways. The elements of the transformation covered are sufficiently broad to constitute deep analysis. Candidates use their independent research to directly address the developing-developed economy distinction made in the question and then go on to show the distinctions that can lie within these two groups. At the top end of this Level, answers are able to show how changes can impact other economies in different ways depending on the conditions present in an economy. Answers are clearly forward-looking, addressing future changes and potential impacts. There is clear evidence of independent research to support their points.</p>					
<p data-bbox="339 1111 515 1227">Level 3 (12–17 marks) Mid mark 15</p>	<p data-bbox="547 1111 1302 1895">In this level, a clear attempt is made to answer the specific question set on the level of threat posed by China’s economic transformation. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a wide range of different elements of the economic transformations. A narrow focus on a single element of the economic transformation would only achieve low level 3 if it is covered in significant depth or applied to a wide range of different economies. There is relevant supporting data and diagrammatical analysis. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. There is a reasonable attempt to use independent research to support their points but at the lower end this may be more superficial and unsubstantiated. Broad coverage of the elements of economic transformation may be constrained by a lack of critical awareness or narrow range of application to other economies. At the lower end of this level, candidates may lack critical awareness into the nature and characteristics of developing and developed economies and will tend to use a single economy or make non-contextual statements to make broad generalisations about all</p>					

Question	Answer		Marks
2		economies. There must be an attempt made to examines the impacts on developed and developing countries to enter Level 3. Independent research to support their points will be superficial at the lower end.	
	Level 2 (6–11 marks) Mid mark 9	At the top end of this level, a generalised attempt to answer the question has been made but candidates fall short on critical awareness or current context. It is either a broadly theoretical essay or lacks contextual awareness. They may make only a superficial attempt to answer the specific question set. In this level candidates may be overwhelming backward-looking in their application of threats to other economies or will be able to describe China’s transformation but application to other countries lacks any significant depth or critical awareness. Independent research to support their points will be superficial at the lower end.	
	Level 1 (1–5 marks) Mid mark 3	There is a lack of understanding of China’s economic transformation or the answer fails to make an attempt to apply the impacts of the transformation to other economies.	
	Evaluation		
	Level 3 (13–18 marks) Mid mark 16	Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion – that is substantiated – at the end that relates specifically to the set question, even if the conclusion is that it is difficult to know whether it will be a concern or not. In this level evaluation must clearly judge the nature and level of the threat for both developed and developing economies with research used to justify conclusions.	
	Level 2 (7–12 marks) Mid mark 10	At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas unexplored and conclusions may lack any rigorous justification. Conclusions may do little more than sit on the fence.	
	Level 1 (1–6 marks) Mid mark 4	Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, ‘China’s transformation will provide a significant threat to developed countries as it moves up the value chain begins to compete in high-value export markets’. There is no attempt to draw together the relevant issues in a conclusion.	

Question	Answer	Marks
The Sustainable Development Goals and the Post 2015 Development Agenda		
3	<p data-bbox="316 320 1246 383">To what extent can the Sustainable Development Goals (SDGs) be delivered solely by governments?</p> <p data-bbox="316 421 1313 1093">While knowledge and coverage of all 17 SDGs is clearly not required for an exam of this length, the question requires students to be able to demonstrate a knowledge of a range of SDGs. Better candidates will use their independent research to show a detailed knowledge of a few SDGs while also being able to give a broader answer to the question of whether the SDGs and their aims as a whole can be delivered solely by governments. Weaker responses will only be able to talk about the SDGs in very general and broad terms without exemplifying how specific SDGs could be delivered with or without governments – such answers will be stuck in level 2 for theory and analysis. Good candidates will pick up on the word ‘solely’ in the question and use this as a springboard to explore the debate around government-led versus market-based solutions to development. The best candidates will question the underlying assumptions of the question in a number of ways: to what extent do we even want to achieve the SDGs (are they the right goals)? What is meant by ‘delivered’? What are the different forms that government ‘delivery’ might take in trying pursue the SDGs? Is development ever possible when led by governments? Which ‘governments’ are we talking about – international governance? Leadership from developed governments or leadership from the governments of the economies the SDGs are aiming to support?</p> <p data-bbox="316 1126 1318 1597">The weakest candidates will see this question as invitation to explain the SDGs without specifically addressing who is responsible for and able to deliver their achievement. These answers will read like a list of problems and SDG solutions without an examination of the nature of the delivery of these solutions. Better candidates will move from the nature of the SDGs and their demands to what this means for effective delivery. They will look at the extent to which governments can achieve the SDGs and also if they are the best and most appropriate actors to do so – this will necessitate a discussion around other forms of delivery from NGOs to market-based solutions. The best candidates will then identify the conditions necessary (if they exist at all) for government delivery to be successful, using the word ‘solely’ to discuss roles of other actors in the delivery process. The question invites debate around the achievability of the SDGs and the extent to which they are desirable goals to achieve.</p> <p data-bbox="316 1630 1305 1765">They should use appropriate analytical tools and data to support their arguments – use of economic nomenclature and economic theory will be key to differentiate candidates, that is, those who are able to elucidate clear arguments for and against government-led approaches to development.</p> <p data-bbox="316 1798 1291 1933">Knowledge of general aims of the SDGs together with specific goal examples is expected, as well as the experience of specific noteworthy countries. They should reach a clear and well-supported conclusion on the extent to which government delivery is desirable.</p> <p data-bbox="316 1966 963 2000">Analysis may be assisted by the use of diagrams.</p>	40

Question	Answer	Marks
3	<p>Answers may include:</p> <p>Knowledge and understanding of the SDGs and forms of government and non-government delivery</p> <p>Examples:</p> <ul style="list-style-type: none"> • The purpose / nature and details of the SDGs in general – their overall goal and aims • The aims and features of specific individual goals • Forms of government delivery of the SDGs and development more broadly for example ODA, budget support, poverty reduction strategies, provision of merit goods, policies to promote economic growth, service delivery, transfer payments etc. • Different types of governments that could be involved in the SDG delivery process: international organisations, donor governments and LEDC governments • Alternative delivery strategies or actors for example NGOs, social enterprises, for-profit service providers, individuals (the agency of the poor to ‘get themselves’ out of poverty), microfinance institutions, global coalitions such as Drop the Debt and the Copenhagen Consensus • Alternative development aims beyond the SDGs <p>Application of government delivery strategies and alternative modes of delivery to the SDGs</p> <p>Examples:</p> <ul style="list-style-type: none"> • Anti-corruption drives • Provision of low-fee or zero cost merit goods and public goods • Provision and protection of property rights • Blanket, catch-all policies such as vaccination programmes and universal basic education • Benefits, transfer payments and cash transfers (conditional and unconditional) • MEDC government delivery in the form of ODA, advice and expertise, conditional loans • Privatisation and nationalisation policies • NGO delivery – healthcare, education, civil society NGOs etc. • Military intervention • FDI by overseas governments and companies • International government delivery through the WTO, WHO, UNICEF, UN peacekeeping missions, International Criminal Court, World Bank, IMF etc. • Market-based approaches including microfinance, banking system reform, peer-to-peer to lending, development vouchers and low-fee provision of merit goods such as education and healthcare • Economic growth policies implemented by governments that then impact on poverty reduction 	

Question	Answer	Marks
3	<ul style="list-style-type: none"> • The extent to which certain SDGs may be more achievable through government delivery than others, for instance SDG 16 Peace, Justice and Strong Institutions may give more of a role to governments than SDG 9 Industry, Innovation and Infrastructure. <p>Analysis of the ability of governments to deliver the aims SDGs. The bulk of analysis is likely to be around the debate as to whether centralised, government-led approaches are appropriate in solving development problems. This is a core theme of modern development literature and better candidates are likely to explore the pro-market approaches of Moyo and Easterly with the greater role for governments given by Sachs and to a lesser extent Collier, Banerjee and Reinert. The higher marks will be reserved for candidates who are able to support their analysis with relevant empirical examples of how the SDG agenda has and has not been effectively delivered by governments – this will be clear differentiating factor.</p> <p>Examples:</p> <p>Government delivery:</p> <ul style="list-style-type: none"> • ODA provides budget support enabling the provision of education and other public services • Government delivery of healthcare, education, energy achieves universal basic access • Governments are essential for providing the preconditions for development such as peace and stable institutions • Nationalisation policies to reduce prices and increase access • Affirmative action and redistribution to address inequality • International leadership on issues such as trade, conflict, environmental protection, justice and health epidemics • The idea that with sufficient budgetary support poverty can be eradicated • The democratic feedback loop provided by government delivery • Developing a wider tax base to provide merit goods <p>Problems with government delivery:</p> <ul style="list-style-type: none"> • Corruption • Information failure • Government failure when providing merit and public goods • Conflict promotion and rent-seeking behaviour • Misaligned objectives • Regulatory capture by MNCs • Dependency theories • Moral hazard created by aid as budgetary support 	

Question	Answer	Marks
3	<p>Alternative / additional methods of delivery:</p> <ul style="list-style-type: none"> • The role of the poor in identifying and solving their own problems • NGOs • International coalitions / movements • Market-based approaches <p>Alternatives to the SDGs – governments should not be trying to ‘deliver’ the SDGs:</p> <ul style="list-style-type: none"> • Economic growth to promote economic development • Promotion of individual liberty and opportunity • Focus on peace and on-corrupt institutions and let the market do the rest <p>Evaluation of the role of governments in delivering the SDGs. Evaluation will be expected to make a judgement on the effectiveness of government delivery but could also cover a number of other areas for judgements to be made.</p> <p>At the lowest ends, the weakest candidates will not be able to offer any judgement on government deliver, simply giving the pros and cons of government intervention. Weaker candidates will also fail to make judgements on specific SDGs.</p> <p>Stronger candidates will not only consider the role of governments but also question the nature of the SDG project as a whole: are we setting the right goals for governments to pursue?</p> <p>LEDCs, their problems and their governments differ in their characteristics, and strong responses will reflect this – by offering an awareness that the role of governments will vary depending on the country context.</p> <p>Some may explore the role of international and MEDC governments in delivering the SDGs beyond a sole focus on the governments of LEDCs themselves.</p> <p>Examples of evaluation may include:</p> <ul style="list-style-type: none"> • Do some SDGs offer more scope for government delivery than others? • What features of governance need to be in place for governments to be trusted with SDG delivery? • Should some SDGs be prioritised by governments? • Are LEDC governments the ones in control? What is the role for MEDC and international governments? • Which other actors should be involved in delivery and what should their role be? • Where should government delivery stop and individual agency or private sector involvement begin? • Do we know the solutions to the SDGs and can governments successfully implement them? 	

Question	Answer	Marks				
3	<ul style="list-style-type: none"> • To what extent are the SDGs the right focus for governments? Would a focus on growth then deliver many of the SDGs? • Should the role of governments change over time? • What is the overall goal of the SDGs versus the aims of individual goals? <p>Theory and Analysis</p> <table border="1" data-bbox="316 528 1315 2033"> <tbody> <tr> <td data-bbox="316 528 523 1227"> Level 4 (18–22 marks) Mid mark 20 </td> <td data-bbox="523 528 1315 1227"> In this level, the response is clearly focussed on the extent to which governments are able to and should deliver the SDGs. At the top end of this level, development of points is thorough and detailed, with supporting evidence and data, incorporated within an answer with strong economic foundations. The use of theory and analysis is comprehensive, with almost flawless integration of the two into a clearly flowing essay. In this level, students are clearly able to move from the general principles of the SDGs to discussing specific SDGs and the role governments can play in their delivery. The nuances of government delivery are explored, either in terms of forms of delivery or forms of government. There will be both a range of SDGs and a range of solutions covered. Students in level 4 will not only focus on government solutions but will also be able to discuss market-based alternatives with strong contextual support. A strong appreciation of context is evident throughout the essay with supporting research being used to explain how government delivery can be both beneficial and harmful. </td> </tr> <tr> <td data-bbox="316 1227 523 2033"> Level 3 (12–17 marks) Mid mark 15 </td> <td data-bbox="523 1227 1315 2033"> In this level, a clear attempt is made to answer the specific question set on whether governments should solely deliver the SDGs. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a range of SDGs with a narrow focus on a single SDG or simply a broad discussion without exploring specific SDGs preventing entrance into level 3. To achieve level 3, the candidate must at least be able to assess the strengths and weaknesses of government-led SDG policy solutions in significant depth. The link between a policy and how it successfully achieves or does not achieve the SDGs must be clear for the top of the mark band. Relevant supporting data is evident throughout with contextual analysis of policies and their impact on economies. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. A range of perspectives is discussed but may lack critical awareness at times e.g. the role of governments in delivering a certain SDG may be generalised across countries. Evidence of independent research is clearly present though unsophisticated or undeveloped towards the lower end. </td> </tr> </tbody> </table>	Level 4 (18–22 marks) Mid mark 20	In this level, the response is clearly focussed on the extent to which governments are able to and should deliver the SDGs. At the top end of this level, development of points is thorough and detailed, with supporting evidence and data, incorporated within an answer with strong economic foundations. The use of theory and analysis is comprehensive, with almost flawless integration of the two into a clearly flowing essay. In this level, students are clearly able to move from the general principles of the SDGs to discussing specific SDGs and the role governments can play in their delivery. The nuances of government delivery are explored, either in terms of forms of delivery or forms of government. There will be both a range of SDGs and a range of solutions covered. Students in level 4 will not only focus on government solutions but will also be able to discuss market-based alternatives with strong contextual support. A strong appreciation of context is evident throughout the essay with supporting research being used to explain how government delivery can be both beneficial and harmful.	Level 3 (12–17 marks) Mid mark 15	In this level, a clear attempt is made to answer the specific question set on whether governments should solely deliver the SDGs. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a range of SDGs with a narrow focus on a single SDG or simply a broad discussion without exploring specific SDGs preventing entrance into level 3. To achieve level 3, the candidate must at least be able to assess the strengths and weaknesses of government-led SDG policy solutions in significant depth. The link between a policy and how it successfully achieves or does not achieve the SDGs must be clear for the top of the mark band. Relevant supporting data is evident throughout with contextual analysis of policies and their impact on economies. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. A range of perspectives is discussed but may lack critical awareness at times e.g. the role of governments in delivering a certain SDG may be generalised across countries. Evidence of independent research is clearly present though unsophisticated or undeveloped towards the lower end.	
Level 4 (18–22 marks) Mid mark 20	In this level, the response is clearly focussed on the extent to which governments are able to and should deliver the SDGs. At the top end of this level, development of points is thorough and detailed, with supporting evidence and data, incorporated within an answer with strong economic foundations. The use of theory and analysis is comprehensive, with almost flawless integration of the two into a clearly flowing essay. In this level, students are clearly able to move from the general principles of the SDGs to discussing specific SDGs and the role governments can play in their delivery. The nuances of government delivery are explored, either in terms of forms of delivery or forms of government. There will be both a range of SDGs and a range of solutions covered. Students in level 4 will not only focus on government solutions but will also be able to discuss market-based alternatives with strong contextual support. A strong appreciation of context is evident throughout the essay with supporting research being used to explain how government delivery can be both beneficial and harmful.					
Level 3 (12–17 marks) Mid mark 15	In this level, a clear attempt is made to answer the specific question set on whether governments should solely deliver the SDGs. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a range of SDGs with a narrow focus on a single SDG or simply a broad discussion without exploring specific SDGs preventing entrance into level 3. To achieve level 3, the candidate must at least be able to assess the strengths and weaknesses of government-led SDG policy solutions in significant depth. The link between a policy and how it successfully achieves or does not achieve the SDGs must be clear for the top of the mark band. Relevant supporting data is evident throughout with contextual analysis of policies and their impact on economies. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. A range of perspectives is discussed but may lack critical awareness at times e.g. the role of governments in delivering a certain SDG may be generalised across countries. Evidence of independent research is clearly present though unsophisticated or undeveloped towards the lower end.					

Question	Answer		Marks
3	Level 2 (6–11 marks) Mid mark 9	At the top end of this level, a generalised attempt to answer the question has been made but candidates fall short on critical awareness or current context. They may make only a superficial attempt to answer the specific question set – in this case, they fail to analyse the extent of government involvement, instead explaining how governments may deliver the SDGs. It feels like a general answer on how to provide economic development or on the methods of government delivery. Points made may be generalised to all LEDCs whilst simultaneously being narrow in their analysis, for example by generalising developing countries' governments and the contexts within which they work. Independent research may be significantly lacking.	
	Level 1 (1–5 marks) Mid mark 3	There is no understanding of how governments can deliver the SDGs.	
	Evaluation		
	Level 3 (13–18 marks) Mid mark 16	Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion drawn at the end that relates specifically to the set question – even if the conclusion is that governments' role in delivery may vary across countries and SDGs.	
	Level 2 (7–12 marks) Mid mark 10	At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas unexplored and conclusions may lack any rigorous justification. Conclusions may do little more than sit on the fence.	
Level 1 (1–6 marks) Mid mark 4	Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, 'Governments play a key role in delivering development and the SDGs but they are not the only actors involved'. There is no attempt to draw together the relevant issues in a conclusion.		

Question	Answer	Marks
Behavioural Economics and Government policy		
4	<p data-bbox="316 327 1315 427">Economic decision making can be subject to a range of behavioural biases and heuristics. To what extent is government policy able to improve economic decision making?</p> <p data-bbox="316 461 1315 1099">The question focuses specifically on behavioural biases and heuristics and candidates should structure their response around these. No particular biases or heuristics are expected in answers but candidates must be specific when discuss government policy to improve decision making. General analysis of policies to avoid irrational behaviour without links to a specific bias or heuristic will score poorly. Weaker candidates will ignore the aspect of the question that requires them to explain how government policy overcomes the biases – perhaps focussing purely on how government policy in the context of behavioural economics can be used and stop there. Stronger candidates will go further and explain how their argument helps overcome the original bias or heuristic, exploring choice architecture. The quality of the BE literature used to support their arguments will distinguish stronger and weaker candidates. There are no set examples expected but innovative, original examples and case studies used to support their points will be rewarded well as part of their independent investigation. Use of relevant diagrams are to be rewarded, but is not a pre-requisite to do well on this question. They should reach a clear and well-supported conclusion on the extent to which government policy can be used to overcome behavioural biases and heuristics and thus improve decision making.</p> <p data-bbox="316 1133 608 1167">Answers may include:</p> <p data-bbox="316 1200 1289 1267">Knowledge and understanding of biases and heuristics and government policy solutions</p> <p data-bbox="316 1301 459 1335">Examples:</p> <ul data-bbox="316 1368 1315 1581" style="list-style-type: none"> • E.g. choice architecture, framing, anchoring and the availability heuristic • Clear understanding of what particular biases or heuristics are for example framing, anchoring and the availability heuristic • Explanation of information biases • Policy provisions including nudges, default choices, constrained choices, framing, the use of social norms etc. 	40

Question	Answer	Marks
4	<p>Application of such biases and government policy</p> <p>Examples:</p> <ul style="list-style-type: none"> • Application of behavioural biases and heuristics to specific issues such as merit / demerit goods / public goods / insurance / risk-averse behaviour <ul style="list-style-type: none"> • Pensions and saving • Mosquito nets • Immunisations • Investment appraisal • Macro-economic management of the economy by central banks • Healthy food and exercise • Driving <p>Analysis of such biases and government policy to overcome it</p> <p>Examples:</p> <ul style="list-style-type: none"> • Economic rationale for how government policy would overcome the bias or heuristic • Nudging to improve consumer information sets • Framing to use Libertarian Paternalism to induce better decision making • ‘Opt-in’ and ‘opt-out’ policies • Constrained choices to support decision making such as ‘Save More Tomorrow’ • Appeals to social norms to reduce demerit good consumption or compliance with the law • Availability heuristic affecting consumption and investment decision-making • Anchoring creating sub-optimal choices • Social norms that mean consumers continue to purchase too many demerit goods 	

Question	Answer	Marks
4	<p>Evaluation of the extent to which government policy be used to overcome biases and heuristics and thus improve decision making</p> <p>At the lowest end, the candidate will evaluate behavioural economics in general rather than focussing on whether government policy can or cannot be used to overcome the biases alluded to in the question as a starting point.</p> <p>Better evaluation will focus on the limitations of government policy to address specific biases. Strong candidates may have supporting evidence where government policy has failed to achieve a better outcome than the conventional approach.</p> <p>Critical awareness over B.E interventions should be present for higher evaluation marks e.g. interventions can show large effect sizes the first few times they are used, and then see lower effect sizes on subsequent applications. Behavioural economics principles do not always produce large scale effects, but sometimes only produce small to moderate ones. There are also debates about the ethicality of what is seen by some as a form of soft manipulation of the general public.</p> <p>They may disaggregate across different countries and different types of biases and heuristics when coming to a conclusion.</p> <p>They may choose to discuss whether government policy in addressing biases and heuristics is simply the conventional market failure approach rather than a new approach.</p> <p>Candidates may discuss the role that private firms have to play in deliberately obfuscating information and exacerbating biases and in this respect legislation against firms is better than other policies.</p> <p>Examples of evaluation:</p> <ul style="list-style-type: none"> • Are some policies better than others e.g. legislation vs provision? • Does it depend on a country-by-country basis? • Is the government in direct conflict with many private sector profit maximising firms who try to deliberately exacerbate and/or obfuscate information biases? • Value for money / cost / time considerations when deciding whether a policy is a good way to overcome the bias? • Are some biases and heuristics more suited to government intervention than others? • To what extent is government policy subject to behavioural biases and heuristics? • Who measures or defines what an 'improvement' in decision constitutes? 	

Question	Answer	Marks						
4	<p>Theory and Analysis</p> <table border="1" data-bbox="316 320 1318 1993"> <tbody> <tr> <td data-bbox="316 320 539 958"> <p>Level 4 (18–22 marks) Mid mark 20</p> </td> <td data-bbox="547 320 1318 958"> <p>In this level, it is clear how government policy could overcome behavioural biases and heuristics. There will be specific, accurate and extended explanation of particular heuristics and biases, why they cause poor decision making and how the government policy addresses these biases to improve (or not improve) decision making. The biases are discussed with a sophisticated discussion on the role government policies can play. In this level, nuances surrounding their argument are picked out e.g. where government policy is honing vs drastically changing behaviour. At the top end of this level, the link to ‘improving’ economic policy making is sustained. Development of points is thorough and detailed, with supporting evidence and data, incorporated within an answer with strong economic foundations. The use of theory and analysis is comprehensive, with almost flawless integration of the two into a clearly flowing essay.</p> </td> </tr> <tr> <td data-bbox="316 958 539 1563"> <p>Level 3 (12–17 marks) Mid mark 15</p> </td> <td data-bbox="547 958 1318 1563"> <p>In this level, a clear attempt is made to answer the specific question set with reference to particular biases and heuristics, and how they could be overcome by government policy. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a range of supporting points, with relevant supporting empirical examples. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. Towards the top of this level, the link to ‘improving’ economic decision making may not be explicit, preventing L4. The analysis is likely to explain how the policy solves the problem without focusing on how individuals or firms make decisions. The range of information biases discussed may be narrow or the link to government policy weak at the lower end of this level. Independent research may be lacking in places.</p> </td> </tr> <tr> <td data-bbox="316 1563 539 1993"> <p>Level 2 (6–11 marks) Mid mark 9</p> </td> <td data-bbox="547 1563 1318 1993"> <p>At the top end of this level, a generalised attempt to answer the question has been made but candidates fall short on critical awareness or current context. They may make only a superficial attempt to answer the specific question set, discussing different biases but not being able to explain how government policy may overcome the problems associated with these. Conversely, the candidate fails to be specific about particular biases and heuristics, and at the lower end of this level, the response reads like a pre-rehearsed behavioural answer rather than one that is linking between biases and government policy.</p> </td> </tr> </tbody> </table>	<p>Level 4 (18–22 marks) Mid mark 20</p>	<p>In this level, it is clear how government policy could overcome behavioural biases and heuristics. There will be specific, accurate and extended explanation of particular heuristics and biases, why they cause poor decision making and how the government policy addresses these biases to improve (or not improve) decision making. The biases are discussed with a sophisticated discussion on the role government policies can play. In this level, nuances surrounding their argument are picked out e.g. where government policy is honing vs drastically changing behaviour. At the top end of this level, the link to ‘improving’ economic policy making is sustained. Development of points is thorough and detailed, with supporting evidence and data, incorporated within an answer with strong economic foundations. The use of theory and analysis is comprehensive, with almost flawless integration of the two into a clearly flowing essay.</p>	<p>Level 3 (12–17 marks) Mid mark 15</p>	<p>In this level, a clear attempt is made to answer the specific question set with reference to particular biases and heuristics, and how they could be overcome by government policy. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a range of supporting points, with relevant supporting empirical examples. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. Towards the top of this level, the link to ‘improving’ economic decision making may not be explicit, preventing L4. The analysis is likely to explain how the policy solves the problem without focusing on how individuals or firms make decisions. The range of information biases discussed may be narrow or the link to government policy weak at the lower end of this level. Independent research may be lacking in places.</p>	<p>Level 2 (6–11 marks) Mid mark 9</p>	<p>At the top end of this level, a generalised attempt to answer the question has been made but candidates fall short on critical awareness or current context. They may make only a superficial attempt to answer the specific question set, discussing different biases but not being able to explain how government policy may overcome the problems associated with these. Conversely, the candidate fails to be specific about particular biases and heuristics, and at the lower end of this level, the response reads like a pre-rehearsed behavioural answer rather than one that is linking between biases and government policy.</p>	
<p>Level 4 (18–22 marks) Mid mark 20</p>	<p>In this level, it is clear how government policy could overcome behavioural biases and heuristics. There will be specific, accurate and extended explanation of particular heuristics and biases, why they cause poor decision making and how the government policy addresses these biases to improve (or not improve) decision making. The biases are discussed with a sophisticated discussion on the role government policies can play. In this level, nuances surrounding their argument are picked out e.g. where government policy is honing vs drastically changing behaviour. At the top end of this level, the link to ‘improving’ economic policy making is sustained. Development of points is thorough and detailed, with supporting evidence and data, incorporated within an answer with strong economic foundations. The use of theory and analysis is comprehensive, with almost flawless integration of the two into a clearly flowing essay.</p>							
<p>Level 3 (12–17 marks) Mid mark 15</p>	<p>In this level, a clear attempt is made to answer the specific question set with reference to particular biases and heuristics, and how they could be overcome by government policy. Links between the question being asked and the perspective being put forward are clear. There is a solid understanding of a range of supporting points, with relevant supporting empirical examples. Use of economic theory, terminology and application is correct and regular, though may contain some errors at times. Towards the top of this level, the link to ‘improving’ economic decision making may not be explicit, preventing L4. The analysis is likely to explain how the policy solves the problem without focusing on how individuals or firms make decisions. The range of information biases discussed may be narrow or the link to government policy weak at the lower end of this level. Independent research may be lacking in places.</p>							
<p>Level 2 (6–11 marks) Mid mark 9</p>	<p>At the top end of this level, a generalised attempt to answer the question has been made but candidates fall short on critical awareness or current context. They may make only a superficial attempt to answer the specific question set, discussing different biases but not being able to explain how government policy may overcome the problems associated with these. Conversely, the candidate fails to be specific about particular biases and heuristics, and at the lower end of this level, the response reads like a pre-rehearsed behavioural answer rather than one that is linking between biases and government policy.</p>							

Question	Answer		Marks
4	Level 1 (1–5 marks) Mid mark 3	There is a lack of understanding of what is meant by behavioural biases and heuristics.	
	Evaluation		
	Level 3 (13–18 marks) Mid mark 16	Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion drawn at the end that relates specifically to the set question.	
	Level 2 (7–12 marks) Mid mark 10	At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas unexplored and conclusions may lack any rigorous justification. Any conclusion will do little more than sit on the fence.	
	Level 1 (1–6 marks) Mid mark 4	Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, ‘government policies to overcome information biases can be expensive, and their success operates with a time lag’. There is no attempt to draw together the relevant issues in a conclusion.	