2	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is C** **A** is not correct because this is a private benefit **B** is not correct because this is a private benefit **D** is not correct because this is a private cost	**(1)**

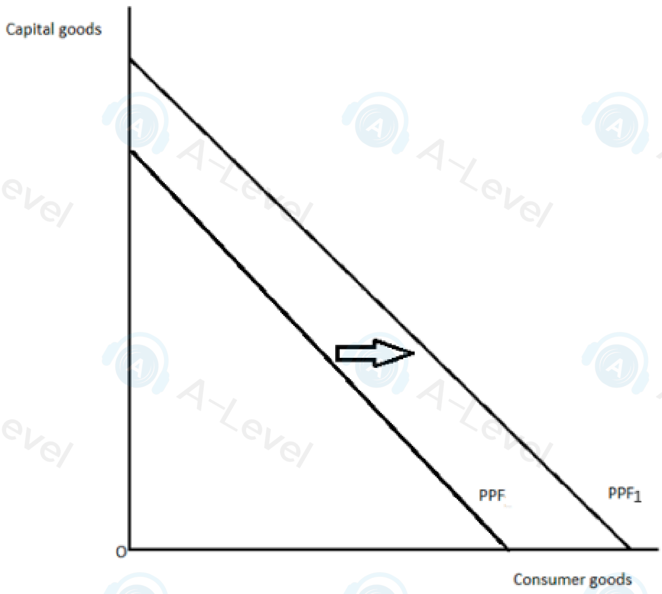
5	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	C	**(1)**

3	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is B** ***A*** *is not correct because this would be the result of an increase in productive capacity* ***C*** *is not correct because the movement to y is unattainable given current resources* ***D*** *is not correct because position y would imply that some resources are unemployed*	**(1)**

5	**QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is D** **A** is not correct because the free market has no government and in Venezuela 14.4% of its economy is government **B** is not correct because a command economy would have 100% of spending by the government **C** is not correct because Venezuela and Sweden are mixed economies with both the price mechanism and the government allocating resources	**(1)**

1	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is B** **A** is not correct because this is a government failure **C** is not correct because this is a government failure **D** is not correct because the market is functioning efficiently	**(1)**

2		**The only correct answer is A** **B** is not correct because housing is not a commodity or currency **C** is not correct because there is no forward market in higher education **D** is not correct because street lighting is a public good that has non-excludability and non-rivalry	**(1)**

Question	Explain the likely impact on the USA's production possibility frontier (PPF) of this change in migration. Illustrate your answer with a fully labelled PPF diagram. **Answer**	**Mark**
11	**Knowledge 1, Application 1, Analysis 2** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** 1 mark for definition of PPF e.g.: • Production Possibility Frontier is the maximum possible production using all available resources **(1)** **Application** 1 mark for correct shift of PPF diagram: • Outward/rightward shift of PPF **(1)**  **NB Accept curved PPF** **Analysis** Up to 2 marks for: • An increased population in the USA would increase the number of workers/ more factors of production available **(1)** • Increase in the output of capital goods and consumer goods that can be produced **(1)** • Identifying that this illustrates **economic growth**/an increase in productive potential **(1)**	**(4)**

Question	Ceteris paribus, calculate the price elasticity of demand for sugar. Show your workings. **Answer**	Mark
10	**Knowledge 1, Application 3** Quantitative skills assessed: **QS8:** Make calculations of elasticity and interpret the result. **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** 1 mark for definition/the formula for price elasticity of demand $\frac{\text{\% change in quantity demanded}}{\text{\% change in price}}$ **(1)** **Application** Up to 3 marks for calculations: • Change in quantity ÷ original quantity x 100 -1 020 ÷ 172 620 x 100 = -0.59% **(1)** • Change in price ÷ original price x 100 3.78 ÷ 11.28 x 100 = 33.51% **(1)** $\frac{\text{\% change in quantity demanded}}{\text{\% change in price}}$ • -0.59 ÷ 33.51 = -0.0176 **(1)** **NB: if correct answer (e.g. -0.0176/-0.018/-0.02) is given, award full marks regardless of working.** **Award three marks if negative sign omitted.**	**(4)**

Question | **Mark**

Country	External cost of pollution per capita ($)
Germany	950
USA	1200
South Africa	1300
Brazil	1500

With reference to the table, explain one reason why the external costs of pollution might be different between these countries.

Answer

9

Knowledge 1, Application 1 Analysis 2

Quantitative skills assessed:

QS9: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.

Knowledge

1 mark for definition of external costs:

- Negative impact on third parties/where social costs exceed private costs **(1)**

Application

1 mark for reference to data:

- External cost of pollution per capita: USA $1 200/Germany $950/Brazil $1 500/ South Africa $1 300 **(1)**

Analysis

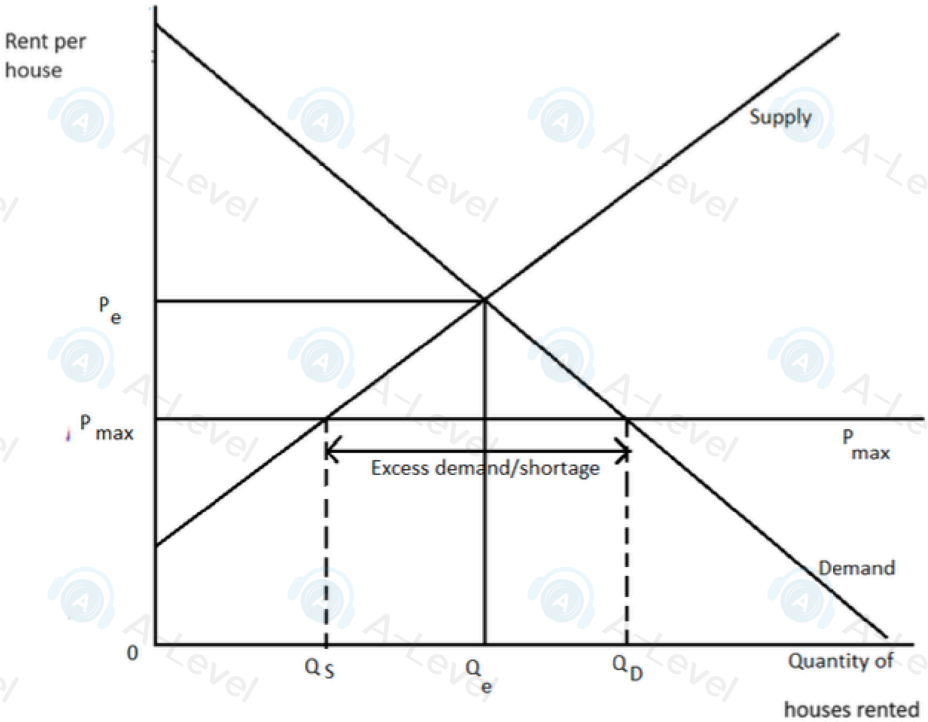
Up to 2 marks for linked analysis e.g.:

- Greater use of green energy in Germany than in South Africa **(1)** so less use of fossil fuels **(1)**
- Higher income/GDP in USA than in South Africa **(1)** so greater ability to spend more on home/business insulation **(1)**

(4)

	• Higher indirect taxes in Germany than in Brazil **(1)** reducing supply from polluting firms in Germany **(1)** • EU tradable pollution permit scheme **(1)** reducing the production of carbon emissions in Germany **(1)** • Higher government subsidies to promote the use of green energy/electric cars in USA than in Brazil **(1)** so more incentive for consumers and businesses to use green energy/buy electric cars **(1)** • Difference in government policies to combat pollution **(1)** help disincentivise firms/ individuals from polluting **(1)** • Stricter environmental regulations **(1)** reducing the production of carbon emissions in Germany **(1)**	

Question	With reference to Thailand, explain one role of financial markets. **Answer**	**Mark**
9	**Knowledge 1, Application 1, Analysis 2** **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** 1 mark for one role e.g.: • to facilitate saving/ • to make funds available to businesses/governments/ individuals/ • to facilitate the exchange of goods and services/ • to provide forward markets in commodities and currencies/ • to provide a market for equities • to provide a market for buyers and sellers to exchange financial goods and services **(1K)** **Application** 1 mark for applying to stem e.g.: • During 2022 in Thailand 10% of income was saved/ • Banks made loans to the private sector of THB 4 809bn in October 2022 **(1AP)** **Analysis** up to 2 marks for linked expansion, e.g. • It allows individuals to save up for a later purchase **(1AN)** such as a deposit for a house **(1AN)** • It allows firms to borrow money **(1AN)** to make investments in new capital goods/ help the business to grow (**1AN)** • Consumers can pay for goods and services **(1AN)** and the funds are transferred to the business / using credit cards where funds are transferred from the credit card company to the business **(1AN)** • It allows businesses to make purchases for future deliveries **(1AN)** at a set price in the future **(1AN)** • It enables firms to sell shares **(1AN)** to raise for finance for expansion **(1AN)**	**(4)**

Question	With reference to the house rental market in Brisbane, draw a diagram to illustrate the introduction of a maximum price for renting a house. **Answer**	Mark
7	**Knowledge 1, Application 3** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** 1 mark for showing knowledge on diagram • Original supply and demand with correctly labelled axes **(1)** **Application** Up to 3 marks for the following information included on diagram: • Maximum price below equilibrium price **(1)** • Q_D and Q_S at maximum price **(1)** • Excess demand/shortage **(1)**  **N.B. The market equilibrium is not necessarily required**	**(4)**