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|---|---|---|---|
| 1 | – | **The only correct answer is B**<br><br>**A** is not correct because statement 2 is normative and not positive<br><br>**C** is not correct because statement 1 is positive and not normative<br><br>**D** is not correct as statement 1 is positive and statement 2 is normative | **(1)** |

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| **1** | – | B | **(1)** |

| Question Number | Lake Poopó in Bolivia used to provide the local community with water to irrigate the quinoa fields. By 2017 there had been a 98% reduction in the size of the lake. The community could no longer use the lake for irrigation.<br><br>Explain whether Lake Poopó is a free good or an economic good. | Mark |
|---|---|---|
| **9** | **Knowledge 1, Application 1, Analysis 2**<br><br>**Knowledge**<br>Up to 1 mark for defining 'free good' or 'economic good', e.g.:<br>• Free good is a resource which is so abundant that its availability is not a constraint on economic activity/ a good with no opportunity cost<br>OR<br>Economic good is a good that derives utility/ a good with scarcity and therefore an opportunity cost/ scarcity means people may be willing to pay for it **(1)**.<br>**Analysis**<br>Up to 2 marks for explaining why the lake might be a free good or economic good e.g.:<br>• The lake provides water to irrigate quinoa **(1)** with abundant supply of water thus likely to be a free good **(1)**.<br>• The lake reducing in size means less water for irrigation is available **(1)** this scarcity suggests it is an economic good **(1)**.<br><br>**Application**<br>Up to 1 mark for applying this to Lake Poopó, e.g.:<br>• The lake is now 2% of its former size/there has been a 98% reduction in the size/lake used it irrigate quinoa fields **(1)**. | **(4)** |

| Question Number | Answer | Mark |
|---|---|---|
| 8 | **Knowledge 2, Application 2**<br><br>**Knowledge**<br>1 mark for defining 'positive statement.'<br>• Value free/ can be verified with evidence/ objective/ based on facts **(1)**<br>1 mark for defining 'normative statement.'<br>• Based on value judgement/ cannot be verified or proven/ subjective **(1)**<br><br>**Application**<br>2 marks for applying to the statements e.g.:<br>• Statement 1 is positive as you can verify whether $140bn was spent on renewable subsidies / $260bn was spent on non-renewable subsidies/ check if the government subsidised **(1)**<br>• Statement 2 is normative as the word 'should' shows it is a value judgement/ suggests a course of action based on a person's value judgement **(1)** | **(4)** |

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| 9 | **Knowledge 2, Application 2**<br><br>**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.<br><br>**Knowledge**<br>1 mark for definition of normative statements e.g.:<br>• Statements that contain value judgements/ cannot be proven/ not based on fact/ subjective **(1K)** 1 mark for definition of positive statements<br>• Statements that are value free/ can be proven/ based on fact/ objective **(1K)**<br><br>**Application**<br>Up to 2 marks for applying to stem e.g.:<br>• Statement 1 is positive **(1AP)**<br>• Statement 2 is normative **(1AP)** | **(4)** |

| Question | With reference to Lake Chad, explain the difference between a free good and an economic good.<br><br>**Answer** | Mark |
|---|---|---|
| 8 | **Knowledge 2, Application 2**<br>Quantitative skills assessed:<br>**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.<br>**Knowledge**<br>1 mark for understanding of 'free good', e.g.<br>- Free good is a resource which is so abundant that its availability is not a constraint on economic activity/in unlimited supply/a good with no opportunity cost/good does not have a price **(1)**<br>1 mark for understanding of 'economic good', e.g.<br>- Economic good is a good that derives utility/a good with scarcity and therefore an opportunity cost/scarcity means people may be willing to pay for it **(1)**<br>**Application**<br>1 mark for reference to Lake Chad as a free good in 1960, e.g.<br>• In 1960 water from the lake was a free good/lake used to provide irrigation to farmers for their crops suggesting free good **(1)**<br>1 mark for reference to Lake Chad as an economic good in 2017, e.g.<br>• By 2017 the farmers could no longer use the lake for irrigation suggesting it is an economic good/has an opportunity cost **(1)** | **(4)** |