3	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.	**The only correct answer is A** ***B*** *is not correct because lower shipping costs are likely to decrease production costs for businesses* ***C*** *is not correct because global inflationary pressures will decrease due to lower costs of production for businesses* ***D*** *is not correct because there are likely to be changes in the patterns of world trade*	**(1)**

5	**QS1:** Calculate, use and understand ratios and fractions. **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.	**The only correct answer is A** ***B*** *is not correct because the opportunity cost for producing shoes and bags for both countries is the same* ***C*** *is not correct because country X has an absolute advantage over country Y in both bags and shoes* ***D*** *is not correct as there is an opportunity cost for producing shoes and bags for both countries*	**(1)**

Question Number	Quantitative skills assessed	Answer	Mark
1	**-**	**The only correct answer is C** ***A*** *is not correct because this will not lead to an increase in globalisation* ***B*** *is not correct because this will not lead to an increase in globalisation* ***D*** *is not correct because this will not lead to an increase in globalisation*	**(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 these tariffs are likely to protect employment in the steel industry* ***C*** *is not correct because these tariffs are likely to protect the domestic steel industry* ***D*** *is not correct because these tariffs will increase tax revenue*	**(1)**

Question	Between 1980 and 2020 it was estimated that total global shipping container volumes increased from 100 million tonnes to 2 billion tonnes. Evaluate factors that have contributed to increased globalisation in the last 50 years. Refer to examples of countries in your answer. **Indicative content**

8	**Indicative content guidance**
	Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited.
	
	QS9: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.
	
	Knowledge, Application, Analysis (12 marks) – indicative content
	
	• Understanding/definition of globalisation
	• Reduced cost of transport because, e.g.
	  o Technical efficiencies are demonstrated through containerisation in freight ships and lorries
	  o Transport/volume economies of scale – larger planes and ships have reduced average transportation cost in the long run
	  o Increase in fuel efficiency in the use of planes, ships and trains which reduce transport fuel cost
	  o Better transport infrastructure across the world – airports, seaports, road and rail networks
	• Trade liberalisation: reduction in trade barriers linked to the work of WTO; application of law of comparative advantage and link to specialisation
	• Increased number and size of trading blocs: application to trade creation
	• Reduced costs of communication: e.g. internet, mobile technology and other technological advances have made it easy to communicate/share information; introduction of new electronic payment systems
	• Political change: opening up of previously closed economies to the world market, e.g. breakdown of the Soviet system and opening up of China
	• Increased significance of TNCs: have entered new markets and invested significantly in expanding abroad to increase sales/revenues/profits (via offshoring and outsourcing)
	• Opening up of global financial markets: this has included removal of capital controls in many countries allowing for more FDI and/or repatriation
	• High and rising real incomes in many countries have resulted in an increase in demand for imports due to higher marginal propensity to import

	• Increased movement of people between countries – immigration and/or emigration **N.B. Award maximum of Level 3 (9 marks) if a candidate does not refer to examples of countries in their answer**

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–3	Displays isolated, superficial or imprecise knowledge and understanding of economic terms, principles, concepts, theories and models. Use of generic material or irrelevant information or inappropriate examples. Descriptive approach which has no chains of reasoning.
Level 2	4–6	Displays elements of knowledge and understanding of economic terms, principles, concepts, theories and models. Limited application of knowledge and understanding to economic problems in context. A narrow response or superficial, only two-stage chains of reasoning in terms of cause and/or consequence.
Level 3	7–9	Demonstrates accurate knowledge and understanding of economic terms, principles, concepts, theories and models. Ability to apply knowledge and understanding to some elements of the question. Some evidence and contextual references are evident in the answer. Analysis is clear and coherent. Chains of reasoning in terms of cause and/or consequence are evident but they may not be developed fully or some stages are omitted.
Level 4	10–12	Demonstrates accurate and precise knowledge and understanding of economic terms, principles, concepts, theories and models. Ability to link knowledge and understanding in context using appropriate examples which are fully integrated to address the broad elements of the question. Analysis is clear, coherent, relevant and focused. The answer demonstrates logical and multi-stage chains of reasoning in terms of cause and/or consequence.

	Evaluation (8 marks) – indicative content
	
	• Prioritisation and significance of factors/arguments discussed, e.g. reduced cost of transport is most important – 1900% increase in container volumes
	• Costs of transport:
	  o Different impact on different countries, e.g. landlocked countries are not going to benefit as much from containerisation as compared to those countries with access to seaports
	  o Inadequate infrastructure: smaller countries do not have seaports for larger ships; they have to resort to air cargo – fall in the cost per unit is not as significant for these countries
	  o Due to global health crisis freight cost has increased significantly
	• Trade liberalisation: Trade talks of Doha round, started in 2001, have been unsuccessful in reducing trade barriers/WTO also less successful in reducing non-tariff barriers/Deglobalisation resulting from the Global Financial Crisis 2008 or other external shocks
	• Number and size of trading blocs: countries are leaving trading blocs (e.g. UK and the EU) and threatening to leave (Grexit, Italeave, etc)
	• Political change: Slowbalisation resulting from trade wars between countries (e.g. China versus USA)
	• Cost of communications: many people in developing countries are excluded from benefits from internet or mobile technology due to being poor (living in poverty), being illiterate or having no access to computer systems
	• There is unlikely to be one significant factor, but a combination of factors that has increased globalisation over the last 50 years
	• Significance of factors change overtime, e.g. disruption to supply chains as a result of the global health crisis 2020 is more important than other factors / shortages of labour have resulted in shortages of goods and hence lass trade

Level	**Mark**	**Descriptor**
	0	No rewardable material.
Level 1	1–3	Identification of generic evaluative comments. No supporting evidence/reference to context. No evidence of a logical chain of reasoning.
Level 2	4–6	Evidence of evaluation of alternative approaches. Some supporting evidence/reference to context. Evaluation is supported by a partially-developed chain of reasoning.
Level 3	7–8	Evaluation recognises different viewpoints and/or is critical of the evidence, leading to an informed judgement. Appropriate reference to evidence/context. Evaluation is supported by a logical chain of reasoning.