



MARKSCHEME

May 2011

ECONOMICS

Standard Level

Paper 2

*This markscheme is **confidential** and for the exclusive use of examiners in this examination session.*

*It is the property of the International Baccalaureate and must **not** be reproduced or distributed to any other person without the authorization of IB Cardiff.*

In addition to the assessment criteria use the paper-specific markscheme below. Award up to the maximum marks as indicated.

1. (a) Define the following terms indicated in bold in the text:

(i) inflation (paragraph ①) [2 marks]

level

0 *Wrong definition* **0**

1 *Vague definition* **1**
The idea that it is a rise in prices.

2 *Precise definition* **2**
The explanation that it is a sustained increase in the average level of prices (general price level) in an economy.

(ii) transfer payments (paragraph ⑤). [2 marks]

level

0 *Wrong definition* **0**

1 *Vague definition* **1**
The idea that there is a payment by the government to individuals / households / groups.

2 *Precise definition* **2**
An explanation that it is any of:

- a payment received for which no good or service is exchanged
- a payment made by the government to individuals (for the purpose of redistributing income)
- a form of aid where money is transferred from one country to another.

A weak explanation plus an appropriate example, *e.g.* a student grant or a pension, would be acceptable for **[2 marks]**.

(b) Using a demand and supply diagram, explain the impact of a subsidy on the market for food. **[4 marks]**

level

- | | | |
|---|--|------------|
| 0 | <i>Inappropriate answer</i> | 0 |
| 1 | <p><i>Identification of appropriate theory</i></p> <p>For drawing a demand and supply diagram showing a shift to the right/increase in supply of food with lower prices and increased output or for explaining that a subsidy lowers costs for producers and so causes supply to increase, which lowers price and increases output.</p> | 1–2 |
| 2 | <p><i>Correct application of appropriate theory</i></p> <p>For drawing a demand and supply diagram showing a shift to the right/increase in supply of food with lower prices and increased output and for explaining that a subsidy lowers costs for producers and so causes supply to increase, which lowers price and increases output.</p> | 3–4 |

Candidates who incorrectly label diagrams can receive a maximum of **[3 marks]**.

The use of P and Q on the axis is sufficient for a demand and supply diagram. A title is not necessary.

(c) Using an appropriate diagram, explain the likely impact of imposing price controls on food items. **[4 marks]**

level

- | | | |
|---|---|------------|
| 0 | <i>Inappropriate answer</i> | 0 |
| 1 | <p><i>Identification of appropriate theory</i></p> <p>For drawing a demand and supply diagram showing a maximum price imposed below the market equilibrium price on food items, indicating a shortage or for explaining that at the maximum price, demand exceeds supply and so excess demand (a shortage) exists.</p> | 1–2 |
| 2 | <p><i>Correct application of appropriate theory</i></p> <p>For drawing a demand and supply diagram showing a maximum price imposed below the market equilibrium price on food items, indicating a shortage and for explaining that at the maximum price, demand exceeds supply and so excess demand (a shortage) exists.</p> | 3–4 |

Candidates who incorrectly label diagrams can receive a maximum of **[3 marks]**.

The use of P and Q on the axis is sufficient for a demand and supply diagram. A title is not necessary.

- (d) Using information from the text/data and your knowledge of economics, evaluate the use of price controls to limit the impact of rising food prices on consumers.

[8 marks]

Responses **may** include:

- a definition of price controls, including reference to maximum prices which are imposed below the existing market equilibrium price.

Possible **advantages** of imposing price controls:

- lower prices for consumers for basic foods (*paragraph 1*)
- those in poverty will be better able to maintain adequate standards of living
- social unrest may be avoided (*paragraph 2*)
- may limit “unreasonable” price increases (*paragraph 5*)
- may reduce inflationary expectations
- may slow down the impact on consumers (*paragraph 6*)
- distributional benefits with regard to the effect on lower income households’ real incomes.

Possible **disadvantages** of imposing price controls:

- price controls may lead to a shortage of basic foods (*paragraph 3*)
- consumers may need to queue to purchase food (*paragraph 1*)
- an informal market/parallel market may develop (*paragraph 1*)
- when price controls are removed, high inflation may result (*paragraphs 1 and 4*)
- may lead to market distortions because price controls discourage domestic production (*paragraph 3*)
- may lead to neglect of market based solutions to rising prices
- does little to reduce inflation (*paragraph 5*)
- the allocation of food may be arbitrary/unfair
- high opportunity cost of hours spent in line (loss of use of productive time)
- loss of revenue for producers
- may increase government expenditure caused by the need to enforce price controls.

Effective evaluation may be to:

- consider short-term versus long-term consequences
- examine the impact on different stakeholders
- discuss advantages and disadvantages
- prioritize the arguments.

Examiners should be aware that candidates may take a different approach which if appropriate, should be rewarded.

If there is no direct reference to the text/data, then candidates may not be rewarded beyond level 2.

Level

0	No valid discussion.	0
1	Few relevant concepts recognized. Little discussion or only basic understanding.	1–2
2	Relevant concepts recognized and developed in reasonable depth. Some attempt at application and analysis.	3–5
3	Relevant concepts developed in reasonable depth, demonstrating effective evaluation, supported by appropriate evidence or theory.	6–8

2. (a) Define the following terms indicated in bold in the text:

(i) deflation (paragraph ①) *[2 marks]*

level

0	<i>Wrong definition</i>	0
1	<i>Vague definition</i> The idea that it is to do with falling prices.	1
2	<i>Precise definition</i> An explanation that it is a sustained decrease in the average level of prices (general price level) in an economy.	2

(ii) savings (paragraph ⑦). *[2 marks]*

level

0	<i>Wrong definition</i>	0
1	<i>Vague definition</i> The idea that it is money not spent.	1
2	<i>Precise definition</i> An explanation that it is any of: <ul style="list-style-type: none"> • income that is not spent • present consumption foregone • a withdrawal from the circular flow of income • money stored in financial institutions. 	2

(b) Using a business cycle diagram, explain Germany’s economic position in 2008 in relation to the business cycle. **[4 marks]**

level

- | | | |
|---|--|------------|
| 0 | <i>Inappropriate answer</i> | 0 |
| 1 | <i>Identification of appropriate theory</i>
For drawing a business cycle diagram indicating the phases of the cycle or for explaining that Germany was in recession in 2008 as it recorded negative growth in successive quarters. (If only recession is mentioned then [1 mark] may be awarded for the explanation.) | 1–2 |
| 2 | <i>Correct application of appropriate theory</i>
For drawing a business cycle diagram indicating the phases of the cycle and for explaining that Germany was in recession in 2008 as it recorded negative growth in successive quarters. (If only recession is mentioned then [1 mark] may be awarded for the explanation.) | 3–4 |

Candidates who incorrectly label diagrams can receive a maximum of **[3 marks]**.

For a business cycle diagram, the vertical axis should represent some sort of economic activity and the horizontal axis should be time (there is no necessity to use the years from the data). Some candidates may use economic growth on the vertical axis, which will make the business cycle move around the horizontal axis. A title is not necessary.

(c) **Using an AD/AS diagram, explain *one* type of unemployment experienced in Germany in 2009.** **[4 marks]**

level

- | | | |
|---|---|------------|
| 0 | <i>Inappropriate answer</i> | 0 |
| 1 | <p><i>Identification of appropriate theory</i></p> <p>For drawing an AD/AS (or AD_L/AS_L) diagram showing a shift of AD (or AD_L) to the left or for explaining that unemployment is demand deficient/cyclical because of the falling aggregate demand and the resultant fall in the demand for workers.</p> | 1–2 |
| 2 | <p><i>Correct application of appropriate theory</i></p> <p>For drawing an AD/AS (or AD_L/AS_L) diagram showing a shift of AD (or AD_L) to the left and for explaining that unemployment is demand deficient/cyclical because of the falling aggregate demand and the resultant fall in the demand for workers.</p> | 3–4 |

N.B. Candidates may state that the unemployment may be structural, because of the increase in demand for imports, over domestic products, and if this is explained well, then this approach should be fully rewarded.

Candidates who incorrectly label diagrams can receive a maximum of **[3 marks]**.

For AD/AS, the vertical axis may be price level, average price level, or inflation. The horizontal axis may be output, real output, national output, real national output, national income (Y), or GDP. Any appropriate abbreviations such as APL, CPI, RNO, or RNY are allowable. A title is not necessary.

- (d) **Using information from the text/data and your knowledge of economics, evaluate the likely effectiveness of the German government’s fiscal policies designed to boost the economy and reduce unemployment.**

[8 marks]

Responses **may** include:

- a definition of fiscal policy
- an AD/AS diagram showing an expansionary fiscal policy.

Possible **strengths** of the policy responses by the German government:

- increased government spending should increase aggregate demand
- stimulus spending should increase consumer and business confidence (*paragraph 4*)
- stimulus payments will reduce tax payments by consumers and businesses
- increased social welfare spending should allow more people in Germany to maintain an adequate standard of living
- increased demand for goods and services may require more people to be employed and reduce the level of unemployment
- supply side policies leading to an increase in LRAS and a lower natural rate of unemployment (*paragraph 6*)
- cuts in personal income tax and corporate tax may produce a positive effect on AS (*paragraph 6*).

Possible **weaknesses** of the policy responses by the German government:

- the government response has been hesitant, slow and not large enough to outweigh the impact of the global economic crisis (figures for the first stimulus package of 12 billion euros are proportionally small) (*paragraphs 4 and 5*)
- many of the measures will not have an impact until 2010 (*paragraph 7*)
- increased saving by consumers may reduce the impact of increased government spending
- increased demand for goods may be satisfied by using existing stocks of produced goods
- the export sector may not be assisted by the spending
- the planned deficit budgets will require increased government borrowing which will increase public debt
- the increased government spending may cause a sharp increase in inflation when recovery begins in 2010 (*paragraph 7*).

Effective evaluation may be to:

- consider short-term versus long-term consequences
- examine the impact on different stakeholders
- discuss advantages and disadvantages
- prioritize the arguments.

Examiners should be aware that candidates may take a different approach which if appropriate, should be rewarded.

If there is no direct reference to the text/data, then candidates may not be rewarded beyond level 2.

Level

0	No valid discussion.	0
1	Few relevant concepts recognized. Little discussion or only basic understanding.	1–2
2	Relevant concepts recognized and developed in reasonable depth. Some attempt at application and analysis.	3–5
3	Relevant concepts developed in reasonable depth, demonstrating effective evaluation, supported by appropriate evidence or theory.	6–8

3. (a) Define the following terms indicated in bold in the text:

(i) terms of trade (paragraph 4) *[2 marks]*

level

0	<i>Wrong definition</i>	0
1	<i>Vague definition</i> The idea that it is to do with prices in international trade.	1
2	<i>Precise definition</i> An explanation that it is any of: <ul style="list-style-type: none"> • the value of a country’s average export prices relative to their average import prices • the rate of exchange between imports and exports • the amount of imports obtainable with one unit of exports. 	2

N.B. Candidates may simply give the equation for the Terms of Trade and, if this is correct, then full marks may be awarded.

(ii) **current account (Table).** **[2 marks]**

level

0 *Wrong definition* **0**

1 *Vague definition* **1**
 The idea that it has to do with imports and exports.

2 *Precise definition* **2**
 An explanation that it is a measure of the flow of funds from trade in goods and services. Candidates may go further and explain that it also includes net income flows, but this is not necessary for full marks.

(b) **Using the concept of the circular flow of income, explain the impact of falling net exports on the economy of Brazil.** **[4 marks]**

level

0 *Inappropriate answer* **0**

1 *Identification of appropriate theory* **1-2**
 For explaining the concept of the circular flow of income **or** for explaining that a fall in net exports ($X - M$) will reduce the level of national income (aggregate demand).

2 *Correct application of appropriate theory* **3-4**
 For explaining the concept of the circular flow of income **and** for explaining that a fall in net exports ($X - M$) will reduce the level of national income (aggregate demand).

N.B. Some candidates may draw the circular flow of income diagram instead of explaining it and, if accurately drawn, this approach should be fully rewarded.

(c) Using an AD/AS diagram, explain the impact a “significant exchange rate depreciation” is likely to have on prices in Brazil (*paragraph 5*). [4 marks]

level

- | | | |
|---|---|-----|
| 0 | <i>Inappropriate answer</i> | 0 |
| 1 | <i>Identification of appropriate theory</i>
For drawing an AD/AS diagram showing a shift to the right of AD or for explaining that a depreciation would decrease prices of exports and increase AD leading to an increase in the price level. | 1–2 |
| 2 | <i>Correct application of appropriate theory</i>
For drawing an AD/AS diagram showing a shift to the right of AD and for explaining that a depreciation would decrease prices of exports and increase AD leading to an increase in the price level. | 3–4 |

N.B. Candidates may say that the fall in the exchange rate will make imports more expensive, thus shifting the SRAS curve to the left, and increasing prices. If the diagram is correct and the explanation is clear, then this approach should be fully rewarded.

Candidates who incorrectly label diagrams can receive a maximum of [3 marks].

For AD/AS, the vertical axis may be price level, average price level, or inflation. The horizontal axis may be output, real output, national output, real national output, national income (Y), or GDP. Any appropriate abbreviations such as APL, CPI, RNO, or RNY are allowable. A title is not necessary.

- (d) **Using information from the text/data and your knowledge of economics, evaluate the likely effectiveness of the response by the central bank of Brazil to the economic crisis facing Brazil.**

[8 marks]

Responses **may** include:

- a definition of interest rate
- a definition of a central bank
- reference to the interest rate cuts
- reference to increase in the money supply
- reference to the significance of table data.

Possible **strengths** of the response:

- makes borrowing cheaper
- may increase borrowing, alleviating the tight credit conditions (*paragraph 6*)
- may increase business investment
- may increase consumer spending
- may increase AD
- policy allows for stimulus when the budget deficit makes fiscal policy difficult (*Table*)
- may increase production and employment, since 2010 estimate for real GDP growth is above the estimate for 2009 (*Table*)
- reduce negative impacts of recession.

Possible **weaknesses** of the response:

- lower borrowing costs may not cause increased borrowing
- there are time lags between the decision to lower rates and expansionary effects on the economy (*paragraph 6*)
- banks may not pass on the reduced interest rates
- existing borrowers may decide to pay off loans more quickly
- may not cause increased consumer spending
- may not cause increased business investment
- interest rates may rise if the government needs to borrow money to finance government spending
- inflation may increase – 4.4 % expected in 2009 (*Table*) – due to the exchange rate depreciation and rising import prices
- may cause inflation during a recovery
- cut in interest rate and expected depreciation may not result in increased exports due to the global nature of the recession.

Effective evaluation may be to:

- consider short-term versus long-term consequences
- examine the impact on different stakeholders
- discuss advantages and disadvantages
- prioritize the arguments.

Examiners should be aware that candidates may take a different approach which if appropriate, should be rewarded.

If there is no direct reference to the text/data, then candidates may not be rewarded beyond level 2.

Level

0	No valid discussion.	0
1	Few relevant concepts recognized. Little discussion or only basic understanding.	1–2
2	Relevant concepts recognized and developed in reasonable depth. Some attempt at application and analysis.	3–5
3	Relevant concepts developed in reasonable depth, demonstrating effective evaluation, supported by appropriate evidence or theory.	6–8

4. (a) Define the following terms indicated in bold in the text:

(i) quotas (paragraph ❶) *[2 marks]*

level

0	<i>Wrong definition</i>	0
1	<i>Vague definition</i> The idea that they are a type of protectionist measure.	1
2	<i>Precise definition</i> An explanation that they are limits on the quantity (or value) of imports that may be imported into a country.	2

(ii) demand (paragraph ❸). *[2 marks]*

level

0	<i>Wrong definition</i>	0
1	<i>Vague definition</i> The idea that it is the amount of a good that consumers wish to buy.	1
2	<i>Precise definition</i> An explanation that it is the willingness and ability to purchase a quantity of a good or service.	2

(b) Using an appropriate diagram, explain how reduced tariffs are likely to affect the Australian car industry. **[4 marks]**

level

- | | | |
|---|--|------------|
| 0 | <i>Inappropriate answer</i> | 0 |
| 1 | <i>Identification of appropriate theory</i>
For drawing a tariff diagram showing a shift downwards of the world supply curve plus tariff or for explaining that reducing tariffs will decrease the market price of cars, decrease domestic production, and increase the quantity of imports. | 1–2 |
| 2 | <i>Correct application of appropriate theory</i>
For drawing a tariff diagram showing a shift downwards of the world supply curve plus tariff and for explaining that reducing tariffs will decrease the market price of cars, decrease domestic production, and increase the quantity of imports. | 3–4 |

Candidates who incorrectly label diagrams can receive a maximum of **[3 marks]**.

The use of P and Q on the axis is sufficient for the diagram. A title is not necessary.

(c) **Using an appropriate diagram, explain how increased subsidies will impact on the production of cars in Australia.** **[4 marks]**

level

- | | | |
|---|--|------------|
| 0 | <i>Inappropriate answer</i> | 0 |
| 1 | <i>Identification of appropriate theory</i>
For drawing an international market demand and supply diagram showing a shift to the right/increase of the domestic supply curve or for explaining that the increased subsidies will lead to increased production by domestic producers because of lower costs, and lower imports. | 1–2 |
| 2 | <i>Correct application of appropriate theory</i>
For drawing an international market demand and supply diagram showing a shift to the right/increase of the domestic supply curve and for explaining that the increased subsidies will lead to increased production by domestic producers because of lower costs, and lower imports. | 3–4 |

N.B. Candidates may draw the diagram carrying on from part (b), with the imposition of a tariff and then a subsidy being given. If this is shown properly and explained fully, then this approach should be fully rewarded.

Candidates may show a diagram of the domestic market for cars, as in question 1(b), and explain using that diagram and ignoring the international aspect of the question. If this is the case, they may receive no more than **[1 mark]** for the diagram and **[1 mark]** for the explanation.

Candidates who incorrectly label diagrams can receive a maximum of **[3 marks]**.

The use of P and Q on the axis is sufficient for the diagram. A title is not necessary.

- (d) Using information from the text/data and your knowledge of economics, evaluate whether increased protection for the Australian car industry will benefit the Australian economy.

[8 marks]

Responses **may** include:

- a definition of protection with examples from the text
- an identification of the nature of protectionism for the Australian car industry, (tariff, but at a reduced rate; subsidies to producers).

Possible **advantages** of increased protection:

- increased demand for Australian produced cars
- increased production of cars in Australia
- increased production of more fuel-efficient cars (*paragraph 3*)
- increased employment in the Australian car industry (*paragraph 4*)
- increased income for Australian car industry workers (*paragraph 4*)
- reduced market failure, if greener cars are produced, whether domestically or imported (*paragraph 3*)
- Australia remains one of only 15 countries that can design, engineer and build a car from scratch (*paragraph 4*).

Possible **disadvantages** of increased protection:

- less demand for imported cars if the effects of subsidies were to outweigh the effects of the planned cut in tariffs
- lower revenue for car importers if the effects of subsidies were to outweigh the effects of the planned cut in tariffs
- the need for government payment of subsidies (*paragraph 1*)
- the opportunity cost of providing increased subsidies
- more fuel-efficient cars can be provided more cheaply by producing them overseas rather than in Australia (*paragraph 3*)
- less efficient allocation of resources
- limits competitive pressures in the Australian car industry (*paragraph 7*)
- negative impact on employment and incomes of other industries (*paragraph 5*).

Effective evaluation may be to:

- consider short-term versus long-term consequences
- examine the impact on different stakeholders
- discuss advantages and disadvantages
- prioritize the arguments.

Examiners should be aware that candidates may take a different approach which if appropriate, should be rewarded.

If there is no direct reference to the text/data, then candidates may not be rewarded beyond level 2.

Level

0	No valid discussion.	0
1	Few relevant concepts recognized. Little discussion or only basic understanding.	1–2
2	Relevant concepts recognized and developed in reasonable depth. Some attempt at application and analysis.	3–5
3	Relevant concepts developed in reasonable depth, demonstrating effective evaluation, supported by appropriate evidence or theory.	6–8

5. (a) Define the following terms indicated in bold in the text:

(i) corruption (paragraph 6) *[2 marks]*

level

0	<i>Wrong definition</i>	0
1	<i>Vague definition</i> The idea that it is an illegal activity.	1
2	<i>Precise definition</i> An explanation that it is any of: <ul style="list-style-type: none">• the abuse of public office for private gain• the abuse of power• the dishonest use of power (position).	2

N.B. A weak explanation plus an appropriate example would be acceptable for *[2 marks]*. Examples might include activities such as bribery, misuse of contract payments, and embezzlement. This is a difficult definition to give in an exact sense, so examiners will need to use their judgment. If understanding of the term is clear, then this approach should be fully rewarded.

(ii) **poverty cycle (paragraph 6).** [2 marks]

level

- 0 *Wrong definition* 0
- 1 *Vague definition* 1
The idea that it is difficult to escape being poor.
- 2 *Precise definition* 2
An explanation that it is any logical circular chain of events starting and ending in any one of the causes of poverty, such as low income, low savings levels, low investment, low growth, low education levels, or poverty itself.

N.B. A correctly drawn, appropriate, poverty cycle would be sufficient for full marks.

(b) **Using an appropriate diagram, explain how a maximum price for fuel will impact on the market for fuel in Nigeria.** [4 marks]

level

- 0 *Inappropriate answer* 0
- 1 *Identification of appropriate theory* 1–2
For drawing a demand and supply diagram showing a maximum price below the market equilibrium price of fuel, and indicating a shortage **or** for explaining that at the maximum price, demand exceeds supply and so excess demand (a shortage) exists.
- 2 *Correct application of appropriate theory* 3–4
For drawing a demand and supply diagram showing a maximum price below the market equilibrium price of fuel, and indicating a shortage **and** for explaining that at the maximum price, demand exceeds supply and so excess demand (a shortage) exists.

Candidates who incorrectly label diagrams can receive a maximum of [3 marks].

The use of P and Q on the axis is sufficient for a demand and supply diagram. A title is not necessary.

(c) **Using an appropriate diagram, explain how the discovery of new oil deposits may affect the potential output of Nigeria.** **[4 marks]**

level

- | | | |
|---|--|------------|
| 0 | <i>Inappropriate answer</i> | 0 |
| 1 | <i>Identification of appropriate theory</i>
For drawing a PPC diagram showing an outward shift of the PPC curve or for explaining that the discovery of new oil deposits increases the quantity of factors of production thus increasing potential output. | 1–2 |
| 2 | <i>Correct application of appropriate theory</i>
For drawing a PPC diagram showing an outward shift of the PPC curve and for explaining that the discovery of new oil deposits increases the quantity of factors of production thus increasing potential output. | 3–4 |

Candidates who incorrectly label diagrams can receive a maximum of **[3 marks]**.

For a PPC, the axis could be two alternative products, one for each axis, *e.g.* Good A and Good B; or two groups of products, *e.g.* consumer goods and capital goods. A title is not necessary.

N.B. Candidates may instead use an LRAS diagram, showing a shift to the right of the LRAS, and give the same explanation as above. If this is illustrated and explained fully, then this approach should be fully rewarded.

For AD/LRAS, the vertical axis may be price level, average price level, or inflation. The horizontal axis may be output, real output, national output, real national output, national income (Y) or GDP. Any appropriate abbreviations such as APL, CPI, RNO, or RNY are allowable. A title is not necessary.

- (d) **Using information from the text/data and your knowledge of economics, evaluate the consequences of oil dependency on the growth and development of Nigeria.**

[8 marks]

Responses **may** include:

- a definition of growth
- a definition of development
- an explanation of oil dependency.

Possible **advantages** of oil dependency:

- high export revenue from oil (95 % of export revenue) (*paragraph 4*)
- employment for 35 000 Nigerians (*paragraph 3*)
- the industry generates higher incomes than other industries
- the industry should generate revenue for the government
- the increased government revenue should allow more spending on education, health and infrastructure (*paragraph 6*)
- the PED of oil is inelastic
- the increased government spending should allow a higher standard of living for all Nigerians.

Possible **disadvantages** of oil dependency:

- the high dependency on oil (95 % of export revenue) leaves Nigeria very exposed to any fluctuations in price and demand for oil (*paragraph 4*)
- in a country of 140 million people, the oil industry only employs 35 000 people (*paragraphs 1 and 3*)
- oil production is relatively capital intensive, so does not provide much extra employment
- the dependency on oil has distorted investment decisions and caused neglect of other industries (*paragraph 4*)
- oil is a depletable resource and may run out
- possibility of negative externalities from drilling, fuel prices, *etc.*
- dependence on multinational oil companies to provide investment and to run the operations.

Effective evaluation may be to:

- consider short-term versus long-term consequences
- examine the impact on different stakeholders
- discuss advantages and disadvantages
- prioritize the arguments.

Examiners should be aware that candidates may take a different approach which if appropriate, should be rewarded.

If there is no direct reference to the text/data, then candidates may not be rewarded beyond level 2.

Level

0	No valid discussion.	0
1	Few relevant concepts recognized. Little discussion or only basic understanding.	1–2
2	Relevant concepts recognized and developed in reasonable depth. Some attempt at application and analysis.	3–5
3	Relevant concepts developed in reasonable depth, demonstrating effective evaluation, supported by appropriate evidence or theory.	6–8
