



General Certificate of Education

Economics 6141

EC4W Working as an Economist (case study)

Mark Scheme

2006 examination - January series

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of candidates' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

Advanced Level Economics

January 2006

EC4W

Mark Scheme

General Instructions

Marks awarded to candidates should be in accordance with the following mark scheme, and examiners should be prepared to use the full range of marks available. Where the candidate's response to a question is such that the mark scheme permits full marks to be awarded, full marks **MUST** be given. A perfect answer is not necessarily required. Conversely, if the candidate's answer does not deserve credit, then no marks should be given.

Occasionally, a candidate may respond to a question in a reasonable way, but the answer may not have been anticipated when the mark scheme was devised. In this situation **OR WHENEVER YOU HAVE ANY DOUBT ABOUT THE INTERPRETATION OF THE MARK SCHEME**, telephone the Senior Examiner to discuss how to proceed.

Quality of Written Communication

The marks awarded for Quality of Written Communication are included in this mark scheme.

The Case Study paper is marked holistically using the same marking criteria as are used for marking coursework. When marking the report, examiners should identify evidence of the skills being assessed by using the following key.

K	Knowledge and Understanding
AP	Application
AN	Analysis
E	Evaluation
C	Quality of Written Communication

Case Study: The European Union

Requirements of the Report

You are to write a report entitled: ‘The economic case for further enlargement of the EU, with special reference to Turkey’. Your report should:

- identify and explain the main economic issues that the EU as a whole will need to address when incorporating more members into the single market;
- evaluate the costs and benefits to the UK of applicant countries, such as Turkey, joining the EU;
- discuss the main economic problems faced by applicant countries, such as Turkey;
- make a recommendation as to whether this further enlargement of the EU should take place, with justifications for your recommendation.

Use economic concepts and principles where appropriate. You will be given credit for demonstrating your ability to analyse, comment critically on, and make effective use of, the data provided.

(84 marks)

SPECIFIC INSTRUCTIONS TO EXAMINERS

Examiners should use the following notes as guidance on what the question-setters expected to elicit from candidates as evidence of particular skills and levels of performance. This guidance should **NOT** be regarded as a ‘straitjacket’ and examiners should approach the work they are marking with an open mind, giving credit where it is justified by the evidence before them. Credit should always be given in circumstances where candidates respond in an unanticipated, but economically valid, way.

Knowledge and Understanding

Guidance for the Case Study in the subject specification mentions the following issues that are particularly relevant to this question:

The widening of European integration: the performance of existing members of the EU compared with applicants. The economic consequences of admitting new members. The opportunities of the single market.

Evidence of knowledge may be shown by the candidate who responds to the first bullet point by considering matters mentioned in the extracts, such as population size, incomes, and the CAP.

There is inevitably a certain amount of overlap between the bullet points, so we need to be flexible, but it is anticipated that good responses to the first point will highlight issues such as the single market with associated theoretical matters such as economies of scale, specialization, static and dynamic efficiency; and policy issues such as the EU budget and the proportion devoted to agriculture, regional development, etc. The second bullet point is amenable to an ‘opportunities/ threats’ approach, focusing on trade from the UK angle. Candidates who consider any of these issues are likely to progress quickly from the knowledge criterion into application and the other skills.

Application

As mentioned above, concepts such as economies of scale and specialization are relevant to the single market, and such concepts can be rewarded under this criterion if they are discussed and explained. The idea of comparative advantage is mentioned in the extracts, and some candidates might pick up this ball and run with it. Any diagrams introduced by the candidate to help argue that a larger market shifts demand to the right or improves supply conditions (reduces costs) should be credited here. Macroeconomic arguments are equally as valid as microeconomic ones, and candidates can achieve maximum marks through a thorough discussion of either or both.

Analysis and evaluation

Data could be analysed in order to, for example, discuss relationships between market size, GDP, sectoral growth and whole economy growth. Candidates have their attention drawn to Turkey in the Case Study, and there is some, limited information on Turkey in the data, but instructions are worded so that discussion of other countries or applicant countries in general is also useful and valid. No detailed knowledge of particular countries beyond that given in the Case Study is necessary. Indeed, candidates could challenge the data by commenting on the fact that further information on applicant countries would be useful. The Case Study includes information on growth rates, for example, but not on inflation or interest rates, which would be useful when considering the stability of the enlarged economy. There are opportunities to comment on possible bias on the part of some sources. For instance, the EU representative might have been playing to the home crowd to some extent when presenting a glowing report on Turkey at a Turkish university. The validity of some terminology can also be questioned (eg the use of the word ‘wealth’ and the phrase ‘up to’ for estimates in Extract D).

The accession of poorer countries tends to be regarded in the UK media as a threat (especially with respect to economic migration), and some candidates are likely to have absorbed such prejudice. The better examination candidates will have noted the statement in the Case Study to the effect that it is considered that political objections have been resolved, and that economic matters are now under consideration. We can expect some ill-informed comment about being swamped by ‘asylum seekers’ (if it were not for the insidious influence of some of the tabloids it would not need pointing out that this very phrase is totally irrelevant to migration within the EU). Hopefully, such ideas will be more than balanced by comments to the effect that the UK actually has a labour shortage in several economic sectors.

The best economists among the candidature could display some economic awareness here, and might have some sensitivity to the fact that the EU has a track record of enabling its less prosperous member states to achieve economic growth, while more prosperous members such as the UK are seeking new markets for exports with relatively high income elasticities (eg mobile phones, motor cars) whose domestic markets are virtually saturated, so that the accession of poorer countries with flexible workers, consumerist aspirations and growth prospects might be regarded as an opportunity for an allegedly globally-minded and competitive economy such as the UK rather than a threat.

Evaluation could also come from the discussion of costs and benefits required by the final bullet point.

Overall Assessment

Stronger candidates should be writing closely to the scenario. Weaker candidates will simply copy chunks out of the data. This approach would suggest lower level performance. However, if the data is appropriately selected and re-ordered to be relevant to an aspect highlighted in the scenario, this should tend to put a candidate’s work in the middle levels. To move higher, the candidate should go beyond the selection and re-ordering of material from the case study.

Assessment Criteria

Examiners are to mark the report using the following assessment criteria, which are divided into five sections.

K	Knowledge and Understanding (AO1)	10 marks
AP	Application (AO2)	20 marks
AN	Analysis (AO3)	20 marks
E	Evaluation (AO4)	30 marks
C	Quality of Written Communication	4 marks
Total		84 marks

Knowledge and Understanding (K)

Candidates are expected to demonstrate knowledge and understanding of economic concepts and theories which are relevant to the problem/issue being investigated.

Level 5:	8-10 marks <i>Mid-Point: 9</i>	An accurate, comprehensive and appropriate use of a range of relevant knowledge and understanding of economic concepts or theories.
Level 4:	5-7 marks <i>Mid-Point: 6</i>	Use of relevant knowledge and understanding of economic concepts or theories.
Level 3:	3-4 marks <i>Mid-Point: 4</i>	Some knowledge and understanding of economic concepts or theories but these are used inappropriately or may not be relevant to the problem or issue.
Level 2:	1-2 marks <i>Mid-Point: 2</i>	Limited knowledge or understanding of economic concepts or theories.
Level 1:	0 marks	No knowledge or understanding of economic concepts or theories is demonstrated.

Application (AP)

Candidates are expected to demonstrate their ability to apply economic concepts and theories to the problem/issue being investigated.

Level 5:	16-20 marks <i>Mid-Point: 18</i>	An accurate, clear and sophisticated use of a relevant range of economic concepts and theories which are used to demonstrate an impressive grasp of the problem or issue.
Level 4:	11-15 marks <i>Mid-Point: 13</i>	Selection of appropriate economic concepts and theories which are appropriately applied to the problem or issue.
Level 3:	6-10 marks <i>Mid-Point: 8</i>	Some use of economic concepts and theories which are superficially or partially applied to the problem or issue.
Level 2:	1-5 marks <i>Mid-Point: 3</i>	Limited attempt to apply economic concepts and theories and these are applied inappropriately or may not be relevant to the problem or issue.
Level 1:	0 marks	No attempt to apply economic concepts and theories.

Analysis (AN)

Candidates should be able to present and analyse relevant economic data that relates to the problem/issue being investigated.

Level 5:	16-20 marks <i>Mid-Point: 18</i>	An appropriate range of relevant economic data is logically analysed to produce outcomes that relate directly to the problem/issue. Results are presented clearly using a range of formats as appropriate.
Level 4:	11-15 marks <i>Mid-Point: 13</i>	A range of economic data is presented and analysed with some relevance to the problem or issue. Results are presented clearly with a reasonable attempt at using appropriate formats.
Level 3:	6-10 marks <i>Mid-Point: 8</i>	Some attempt is made to present and analyse economic data which is limited in scope but has some relevance to the problem or issue.
Level 2:	1-5 marks <i>Mid-Point: 3</i>	A very limited attempt is made to present and analyse economic data which has little relevance to the problem or issue.
Level 1:	0 marks	No attempt to present and analyse economic data.

Evaluation (E)

		Candidates should be able to demonstrate a critical approach to economic models and methods of enquiry. They should demonstrate the ability to produce reasoned conclusions clearly and concisely and to assess the strengths and weaknesses of economic arguments and the value and limitations of the data used.
Level 6:	25-30 marks <i>Mid-Point: 28</i>	Conclusions are reached with accurate and valid reasoning showing originality and insight, combined with a thorough and critical evaluation of the validity of the data and arguments and findings.
Level 5:	19-24 marks <i>Mid-Point: 22</i>	Conclusions are reached with accurate reasoning with sound, critical examination of the validity of the data and/or arguments and/or findings.
Level 4:	13-18 marks <i>Mid-Point: 16</i>	Conclusions are reached with reasoned explanation and/or with some critical examination of the validity of the data and/or arguments and/or findings.
Level 3:	7-12 marks <i>Mid-Point: 10</i>	Conclusions are reached with some reasoned explanation and/or with some examination of the validity of the data and/or arguments and/or findings.
Level 2:	1-6 marks <i>Mid-Point: 4</i>	A limited attempt is made to draw conclusions and to make reasoned judgements, but these are largely generalised and unsupported.
Level 1:	0 marks	No attempt is made to draw conclusions.

Quality of Written Communication Marking Criteria (C)

The following marks are to be awarded to candidates for the Quality of Written Communication they have demonstrated when writing the report.

4 marks	Complex ideas have been expressed clearly and fluently. Sentences and paragraphs have followed on from one another smoothly and logically. Arguments are consistently relevant and have been well structured. There are few, if any, errors of grammar, punctuation and spelling. There is extensive use of specialist vocabulary which is applied adeptly and with precision.
3 marks	Moderately complex ideas have been expressed clearly and reasonably fluently, through well linked sentences and paragraphs. Arguments are generally relevant and have been well structured. There may be occasional errors of grammar, punctuation and spelling. A wide range of specialist vocabulary is used with facility.
2 marks	Straightforward ideas have been expressed clearly, if not always fluently. Sentences and paragraphs may not always be well connected. Arguments have strayed sometimes from the point or have been weakly presented. There may be some errors of grammar, punctuation and spelling, but not such as to suggest a weakness in these areas. There is a good range of specialist vocabulary which is applied appropriately.

- 1 mark** Simple ideas have been expressed clearly but arguments may be of doubtful relevance or obscurely presented. Errors in grammar, punctuation and spelling may be noticeable and intrusive and may suggest a weakness in these areas. Some use of specialist vocabulary is made but this is not always applied appropriately.
- 0 marks** Ideas have been expressed poorly and sentences and paragraphs have not been connected. There are errors of grammar, punctuation and spelling, showing a weakness in these areas. There is very limited use of specialist vocabulary.