

**MARK SCHEME for the May/June 2010 question paper
for the guidance of teachers**

9772 ECONOMICS

9772/03

Paper 3 (Investigation), maximum raw mark 40

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes must be read in conjunction with the question papers and the report on the examination.

- CIE will not enter into discussions or correspondence in connection with these mark schemes.

CIE is publishing the mark schemes for the May/June 2010 question papers for most IGCSE, Pre-U, GCE Advanced Level and Advanced Subsidiary Level syllabuses and some Ordinary Level syllabuses.



Page 2	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

1 Transport and the Environment

Discuss the extent to which a more sustainable transport system is being created by UK government policy. [40]

Candidates should demonstrate that they understand the concept of sustainability and be able to apply this concept in a transport context. They should demonstrate a good understanding of UK government policy as it applies to transport, including future proposals. They should be able to apply a sustainability test to the current UK transport situation and the transport system that current policy aims to create. They should use appropriate analytical tools and data to support their arguments. International comparisons are likely to be useful when considering the effectiveness of policy proposals and in making criticisms of the UK system. They should reach a clear and well-supported conclusion on the extent to which current policy is likely to make the UK transport system more or less sustainable. Candidates are likely to focus primarily on passenger transport. Those who recognise that freight transport is also part of the problem should be rewarded. Analysis may be assisted by the use of diagrams.

Answers may include:

Knowledge and **understanding** of current UK transport policy and sustainability

Examples:

- Existing transport policy as it affects the major modes;
- Future proposals for transport policy;
- Sustainability in terms of increasing capacity in line with demand;
- Sustainability in terms of limiting environmental damage and the depletion of non-renewable resources;
- Sustainability in terms of the capacity and efficiency of the transport systems inherited by future generations.

Application of sustainability in a UK transport context

Examples:

- Current sustainability problems, including;
 - Congestion
 - Greenhouse gas emissions
 - Use of fossil fuels
- Existing and proposed solutions to these problems, including;
 - Road pricing
 - Emissions reduction
 - Alternative energy sources

Page 3	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

Analysis of UK transport policies and their impact on sustainability

Examples:

- Policies to deal with congestion, notably congestion charging and road pricing;
- Policies to improve the efficiency of the networks, notably integrated transport and reducing bottlenecks;
- Policies to reduce environmental damage, notably taxation, regulation and planning restrictions;
- Policies to encourage use of alternative fuels;
- Policies to encourage modal shift;

Good candidates are likely to support their analysis with appropriate diagrams as well as relevant and recent data on, for example, existing traffic forecasts and the statistical effectiveness of policies in the UK and elsewhere. Extensive use of international examples which are not specifically applied to the UK context should not be well rewarded.

Evaluation of the extent to which current policy is likely to create a more sustainable transport system.

Basic evaluation may take the form of identifying areas in which policy is encouraging sustainability, such as congestion charging, and ways in which it is not, such as continued airport expansion. Candidates at this level are likely to understand sustainability in a purely environmental sense.

Stronger candidates are likely to recognise that sustainability is a more complex concept and may even explicitly revisit their definition of sustainability and evaluate policy in the light of this definition:

- Sustainability in terms of increasing capacity in line with demand – to what extent is policy leading to infrastructure improvement? Discussion here may well look at the success/failure of Public Private Partnerships (PPP) schemes and the likelihood of direct provision of new infrastructure in future. Candidates may consider the nature of market failure in the provision of such infrastructure and the need for intervention. They may contrast the provision of new capacity for the key modes – road, rail and air. They may also consider the macro-economic implications of infrastructure provision, or the lack of it, particularly relating to business costs and international competitiveness.
- Sustainability in terms of limiting environmental damage and the depletion of non-renewable resources – to what extent is policy limiting, or even reversing, destruction of the natural environment, air pollution and resource depletion? Candidates may discuss relevant legislation and its effectiveness, the support for alternative fuels and transport technologies and the extent to which this support is likely to result in increased sustainability.
- Sustainability in terms of the capacity and efficiency of the transport systems inherited by future generations – to what extent is the transport system left to future generations likely to be more capable efficient than it is at present? This is a more complex question and requires a combination of factors to be considered from the first two bullet points. Candidates may argue that sustainability requires a combination of new infrastructure, managing use of the existing systems more effectively and utilising new technologies.

Page 4	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

Candidates may also consider the political dimension of government policy and the difficulties of pursuing economically necessary but politically unpopular policies. A relevant example here is likely to be congestion charging and road pricing where power has been devolved to local authorities and the electorate. They may argue that it is difficult to see some policies being implemented, despite favourable economic arguments, because they only give benefits to voters in the very long-run.

UK policy may be evaluated in comparison with policies elsewhere and relative success or failure considered. Comparisons should be related to specific policies and should consider the similarities and differences between economies.

Some candidates may broaden the debate beyond the confines of transport policy and suggest that planning, housing, energy and education policy, among others, are equally relevant here. They may argue that sustainable transport is not possible in isolation and without fundamental changes to the way in which we live, work, shop, school our children and enjoy our leisure time.

Some students may question the need for government to intervene in transport markets at all and may argue that the market mechanism will effectively deal with the sustainability problem by efficiently allocating scarce resources. Government intervention may well lead to government failure which results in an inefficient allocation and a reduction in sustainability.

Theory and Analysis

Level 4 (18–22 marks) Mid mark 20	There is clear evidence of a thorough knowledge of what the UK's transport policies are and their likely impact on sustainability. A range of policies relating to at least two of the major modes of transport should be analysed in detail, with supporting data. At the top end there should be comprehensive coverage of the three major modes; road, rail and air as well as some references to other modes such as walking and cycling.
Level 3 (12–17 marks) Mid mark 15	The answer will still address the potential solutions and some of their limitations. However, the analysis lacks breadth or depth and is more likely to read as a prepared list of advantages or disadvantages rather than a well-structured essay. Lacking critical awareness in some areas. May only cover policies concerning a narrow range of modes.
Level 2 (6–11 marks) Mid mark 9	Whilst various policies will be considered, there may be some inaccuracies or oversimplifications – for example, confusing congestion charging with road pricing. Any analysis will be very superficial – for instance, 'increased taxation will reduce private car usage'. Limited critical awareness. May focus narrowly on one or two specific policies.
Level 1 (1–5 marks) Mid mark 3	There may well be limited understanding of sustainability or current UK transport policy.

Page 5	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

Evaluation

Here follows a re-cap of some of the areas that might be included and a breakdown of what will be expected at the various Levels.

Issues include:

Which aspects of policy encourage sustainability?

Will policy lead to an increase in capacity?

Will policy lead to a reduction in environmental damage?

Will policy improve the efficiency of transport networks?

Are policies politically acceptable?

Does sustainable transport lie outside the scope of transport policy alone?

Is intervention needed?

Level 3 (13–18 marks) Mid mark 16	Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion drawn at the end that relates specifically to the set question.
Level 2 (7–12 marks) Mid mark 10	At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas unexplored and conclusions may lack any rigorous justification.
Level 1 (1–6 marks) Mid mark 4	Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, 'some aspects of policy may encourage sustainability whereas others may not'. There is no attempt to draw together the relevant issues in a conclusion.

Page 6	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

2 China and the Global Economy

Discuss the extent to which the growth of the Chinese economy in recent years has been beneficial to the global economy. [40]

Candidates should demonstrate their understanding of economic growth and its effects on the global economy. They should understand the benefits of growth for different groups of countries and economic agents in those countries and the limitations of these benefits. They are likely to refer to other key economic indicators and the trade-offs that occur as a result of growth, particularly in terms of employment, inflation and the balance of trade. They may also refer to the impact on standards of living and the environment. They should illustrate their answer with examples from China and other selected countries. They should use appropriate analytical tools and data to support their arguments. They should be able to come to a clear and supported conclusion on the extent to which growth is beneficial. Good candidates are likely to differentiate their conclusions between specific groups of countries and/or economic agents. They are also likely to make specific reference to the 'rapid' nature of the growth in question. Analysis may be assisted by the use of diagrams.

Answers may include:

Knowledge of economic growth.

Examples:

- The nature of growth;
- Measurement of growth;
- Causes of growth.

Application of growth in both Chinese and global contexts.

Examples:

- Growth rates in China relative to other economies and over time;
- Effects of growth on the Chinese economy in terms of key economic indicators;
- Effects of growth on other economies in terms of key economic indicators.

Analysis of the effects of Chinese economic growth on the global economy.

Examples:

- Benefits of China's growth to other economies, including:
 - Cheaper consumer goods;
 - Increased consumer choice;
 - Lower production costs;
 - Cheaper component costs:
- Limitations of the benefits of growth to other economies, including:
 - Inflationary pressure on commodities;
 - Structural change;
 - Environmental damage;
 - Resource depletion:

Page 7	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

Candidates should be rewarded for supporting their analysis with diagrams. For the higher analytical marks candidates should be able to support their answer with relevant data on, for example, relative production costs, prices of consumer goods, global commodity prices, unemployment levels and CO₂ emissions. Good candidates will be able to use data from China and other economies. Consideration may also extend to the effects of economic slowdown and its impact on the global economy

Evaluation of the extent to which growth is beneficial or harmful.

At the lower end, marks should be awarded for recognition that economic growth involves trade-offs and that improved living standards for the Chinese population, in terms of employment and living standards, may be matched by rising unemployment and declining living standards elsewhere. There may also be reference to the effects on global warming and consumption of finite resources, especially energy. There is not likely to be any explicit attempt to deal with the magnitude of these effects.

At higher levels candidates will be expected to consider how the effects vary:

between different groups of economies, including:

- developed economies;
- less developed economies;
- transition economies;

between different groups of economic agents in other countries, including:

- consumers;
- firms and their employees in competition with Chinese producers;
- firms and their employees re-locating production to China;
- firms and their employees sourcing materials and components from China.

This discussion is likely to lead on to a consideration of the response of other economies and trading blocs to this phenomenon, including protectionism and its effects on economic efficiency.

Strong candidates should deal more explicitly with the rapidity of growth and the specific problems this causes, including;

- commodity inflation;
- rapid structural change;
- sustainability issues.

Candidates may suggest suitable policies for economies, trading blocs and global financial institutions to adopt in order to maximise the benefits and minimise the drawbacks. However, they may also suggest that this is a purely academic exercise as there is little that they can do to influence the Chinese economy in a meaningful way.

Candidates may also consider the magnitude of the impact of the economic slowdown and the extent to which lower growth rates in China have had a beneficial effect on the global economy. They may explicitly contrast the effects on the global economy pre- and post-'credit-crunch'.

Page 8	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

Theory and Analysis

Level 4 (18–22 marks) Mid mark 20	The answer shows a thorough understanding of the effects of growth on China and the world economy. There will be in-depth analysis of the current benefits and drawbacks of Chinese growth. At the top end of this Level, there is likely to be a clear distinction of the effects on different groups of countries and economic agents, with supporting data.
Level 3 (12–17 marks) Mid mark 15	A good understanding of growth effectively applied to the current conditions in the global economy. However, the analysis lacks breadth or depth and is more likely to read as a prepared list of advantages or disadvantages rather than a well-structured essay. Lacking critical awareness in some areas.
Level 2 (6–11 marks) Mid mark 9	Some understanding of the effects of growth on the global economy but possibly considering it only from the perspective of one country or group of economic agents. Any analysis will be very superficial, for example, arguing that growth in China leads to the loss of manufacturing jobs in the UK. Limited critical awareness.
Level 1 (1–5 marks) Mid mark 3	There is limited understanding of the concept of growth or no meaningful attempt to apply the effects of Chinese economic growth to the global economy.

Evaluation

Here follows a re-cap of some of the areas that might be included and a breakdown of what will be expected at the various Levels.

Issues include:

Which groups/economies are likely to benefit?

Which groups/economies are likely to suffer?

Do the benefits for the global economy outweigh the drawbacks?

How have the policy responses of other economies/trading blocs influenced the effects?

What effect does the rapidity of the growth have?

Can policy responses mitigate the negative effects and increase the positive ones?

Level 3 (13–18 marks) Mid mark 16	Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion drawn at the end that relates specifically to the set question.
Level 2 (7–12 marks) Mid mark 10	At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas left unexplored and conclusions may lack any rigorous justification.
Level 1 (1–6 marks) Mid mark 4	Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, 'there is likely to be a trade off between lower prices and higher unemployment'. There is no attempt to draw together the relevant issues in a conclusion.

Page 9	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

3 Expansion of the EU

Discuss the extent to which all the expected economic advantages of EU enlargement will have been achieved within the next ten years. [40]

Candidates should be familiar with the purpose of the EU and with the rationale for enlargement. They should have an awareness of the countries involved in the enlargement process and an appreciation of the economic characteristics of these countries. Candidates should be familiar with the experience of enlargement to date and the extent to which the expected benefits have been realised. They should also consider the prospects for the future. They should use appropriate analytical tools and data to support their arguments. They should reach a clear and well-supported conclusion on the extent to which the advantages of the enlargement process have already been met, or are likely to be so within ten years. Good candidates are likely to look at the issue from the perspective of different groups of EU member states. Analysis may be assisted by the use of diagrams.

Answers may include:

Knowledge of the EU and enlargement.

Examples:

- The nature and purpose of the EU;
- The process of enlargement to date;
- Prospective future enlargements.

Application of the economic arguments for enlargement in context.

Examples:

- Identify lower cost economies;
- Increased internal market size;
- Increased labour mobility and labour market flexibility;
- Greater growth prospects for all states;
- Increased global influence.

Analysis of the experience of enlargement so far and its future prospects.

Examples of benefits, including:

- Trade creation;
- Economic growth;
- Increased labour market flexibility.

Examples of limitations and problems, including:

- Trade diversion;
- EU budgetary problems;
- Structural change, unemployment and social problems;
- Lack of market harmonisation;
- Inflationary pressure in new member states;
- Lack of fiscal harmonisation;
- Difficulties in maintaining fiscal discipline.

Page 10	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

Candidates should be rewarded for supporting their analysis with diagrams, including AS/AD analysis. They may also introduce relevant economic concepts such as comparative advantage. For the higher analytical marks candidates should be able to support their answer with relevant comparative data on economic indicators in the new member states and the EU15 as well as aggregated data for the EU. Strong candidates may also compare performance with major global competitors and consider the effects on international competitiveness

Evaluation of the extent to which the benefits of enlargement are likely to be realised.

Evaluation is likely to consider whether tangible benefits can be observed to date and whether the prospects for future benefits within ten years are good or not. At the lower end, candidates are likely to draw conclusions which identify some gains, such as lower production costs for EU firms, and some drawbacks, such as loss of manufacturing jobs in the EU15 countries. They may recognise that this is a 'trade-off' but are unlikely to deal with the magnitude of these effects.

Stronger candidates are expected to look at this question explicitly from the perspective of different groups of member states, or even from individual states. For example:

- Has the effect of migrant labour been beneficial or detrimental to the EU15?
- Have the Accession 8 countries (A8) benefited or lost from increased employment opportunities abroad and remittances received?
- Have EU firms and consumers benefited or lost from increased market size?

They may also look at the prospects for future costs or benefits in specific areas. For example:

- What are the prospects for future harmonisation?
- Will the Eurozone continue to expand and will this bring benefits or costs?
- Will EU budgetary problems be resolved?

For the higher evaluation marks candidates are likely to look at the question from the perspective of the EU as a whole and may wish to revisit the objectives of the EU and consider whether enlargement is likely to improve or reduce the chances of meeting these objectives. Candidates may contrast the static costs and benefits generated in the enlargement phase with the dynamic changes that are likely to be encountered in the long-run. They may also deal explicitly with the challenges that the EU faces from its major competitors, including Japan, USA, China and India. They should reach clear conclusion regarding the extent to which enlargement has strengthened the position of the EU nations in the global economy.

It is reasonable for candidates to make reference to the wider social and political objectives of the EU as well as the social and political issues and obstacles related to enlargement. However, these points should be peripheral to the answer which should focus on the economic issues.

Page 11	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

Theory and Analysis

Level 4 (18–22 marks) Mid mark 20	The answer shows a thorough knowledge of the issue of enlargement, its benefits and drawbacks. There is an explanation of the rationale behind such expansion and explicit analysis of a wide range of relevant economic issues, supported by reference to the effects of enlargement to date. At the top end of this level there should be some analysis of how the effects have varied among member states, with supporting data.
Level 3 (12–17 marks) Mid mark 15	The effects of enlargement of the EU are analysed in the context of EU economic objectives. However, the analysis lacks breadth or depth and is more likely to read as a prepared list of advantages or disadvantages, possibly more focussed on EU membership, rather than a well-structured essay. Lacking critical awareness in some areas.
Level 2 (6–11 marks) Mid mark 9	Some inaccuracies either with regard to the economic advantages or the experience of enlargement. Causal links between enlargement and the likely economic outcomes for EU member states are established but tenuous. Limited critical awareness.
Level 1 (1–5 marks) Mid mark 3	There is limited understanding of the economic advantages of the EU and/or what is meant by EU enlargement.

Evaluation

Here follows a re-cap of some of the areas that might be included and a breakdown of what will be expected at the various Levels.

Issues include:

What have been the tangible benefits of enlargement to date?

What drawbacks have been experienced?

How do these effects vary between member states?

What are the future prospects?

What dynamic benefits/costs can be expected over time?

Has enlargement strengthened the global position of the EU?

Level 3 (13–18 marks) Mid mark 16	Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will signs of real in-depth research and/or originality. In all cases there will be a clear conclusion drawn at the end that relates specifically to the set question.
Level 2 (7–12 marks) Mid mark 10	At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas left unexplored and conclusions may lack any rigorous justification.
Level 1 (1–6 marks) Mid mark 4	Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, 'consumers have benefited from lower prices but some have lost their jobs'. There is most unlikely to be any attempt to draw together the relevant issues in a discussion.

Page 12	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

4 The Pensions Crisis

Evaluate the extent to which UK government policy is likely to deal effectively with the pensions crisis. [40]

Candidates should demonstrate an awareness of the nature and extent of the pensions crisis in the UK. They should be aware of the multi-faceted nature of the problem and the contributory factors leading to large-scale under-provision. Candidates should be able to describe and explain the proposed solutions to the problem. They should be able to analyse the relative strengths and weaknesses of these solutions. They should use appropriate analytical tools and data to support their arguments. They should reach a clear and well-supported judgement about the extent to which the proposed solutions are likely to be effective. Good candidates are likely to provide international comparisons to support their analysis and conclusions. Analysis may be assisted by the use of diagrams.

Answers may include:

Knowledge of the pensions crisis and its causes.

Examples:

- The problem of under-provision;
- The causes of the crisis.

Application of problems caused by the crisis.

Examples:

- The 'savings gap';
- The growth in pensioner poverty;
- The problem of under-provision for women;
- The collapse of company schemes;
- Increasing pressure on strained public finances.

Analysis of proposed solutions to the problems.

Examples:

- Compulsory enrolment in a 'private' pension;
- Compulsory employer contributions;
- Increase of retirement age;
- Increased support for troubled company schemes;
- Means-testing for state pension benefits.

Candidates who use diagrams to support their analysis should be rewarded. The concept of market failure is likely to be useful here. For the higher analytical marks candidates should be able to support their answer with relevant data regarding, for example, the financial size of the problem and the quantifiable benefits likely to be generated by the proposed solutions.

Evaluation of the extent to which the proposals are likely to provide an effective solution.

Basic evaluation is likely to take the form of selecting the 'best' method. Candidates may recognise that this is a long-term problem which is unlikely to be solved by a 'quick-fix'. They may also point out that the problem is likely to get worse before it gets better due to the ageing population.

Page 13	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

At higher levels candidates may recognise that this is a complex problem which is likely to require a solution combining several methods. They may also consider in more depth the precise nature of current government proposals rather than dealing with them as generic measures. This will allow a more thorough judgement to be made on the likely success of each measure.

Stronger candidates may explicitly consider a range of different policy approaches at a more fundamental level. Examples include:

- Do nothing – continue with the existing system because any solution is likely to be prohibitively expensive to the taxpayer and, based on recent experience, may well be counter-productive;
- Plug the gaps – deal with pressing needs in the current system and intervene where absolutely necessary, for example to deal with pensioner poverty;
- Interventionist reform – increased compulsion
- Market approach – revisit the concept of universal state provision and re-consider the public/private balance

They may use this discussion to consider the overall purpose of pensions and government policy in this area. They may re-consider the extent to which markets are failing, and are likely to continue to fail. They may question the assumption that pensions are a merit good which is likely to be under-consumed.

Candidates may even question whether there is a crisis at all. They may argue that increased productivity, continued economic growth and changing working patterns will mean that the perceived 'savings gap' may not materialise. They could extend this argument into a discussion of the value of government intervention in this market and consider the likelihood of government failure. They may particularly question the concept of compulsory contributions and point out that this may well lead to 'crowding out' of voluntary saving and a decline in the overall savings ratio. The extent to which government intervention is deemed necessary may well depend upon the perception of individual households' abilities to forecast and make provision for their own needs.

Theory and Analysis

Level 4 (18–22 marks) Mid mark 20	The answer shows a thorough knowledge of the issues involved with the pensions crisis and accurately uses relevant statistics to highlight the extent of the problem. There is a clear explanation of a range of proposed solutions and thorough analysis of their strengths and weaknesses. At the top end of this Level there may well be a comparison with the situation in other countries and some data to support the analysis.
Level 3 (12–17 marks) Mid mark 15	The answer shows a reasonable understanding of some of the issues involved. However, the analysis lacks breadth or depth and is more likely to read as a prepared list of advantages or disadvantages rather than a well-structured essay. Lacking critical awareness in some areas.
Level 2 (6–11 marks) Mid mark 9	The major issues are discussed but there are inaccuracies within the analysis – for example, confusion over the nature and causes of the crisis or a misunderstanding of the solutions. Limited critical awareness.
Level 1 (1–5 marks) Mid mark 3	There is limited understanding of the pensions crisis and/or pensions policy.

Page 14	Mark Scheme: Teachers' version	Syllabus	Paper
	Pre-U – May/June 2010	9772	03

Evaluation

Here follows a re-cap of some of the areas that might be included and a breakdown of what will be expected at the various Levels.

Issues include:

Which of the proposed solutions are likely to be effective?

How effective will they be?

Is a package of measures required?

Will the government's proposals work?

Is further intervention necessary?

Is government failure likely to occur?

Level 3 (13–18 marks) Mid mark 16	Given the length of this paper, to achieve this level of evaluation there must be significant and comprehensive coverage of several relevant areas. At the top end of this Level, there will be signs of real in-depth research and/or originality. In all cases there will be a clear conclusion drawn at the end that relates specifically to the set question.
Level 2 (7–12 marks) Mid mark 10	At least two relevant issues will be considered in reasonable depth but the overall scope of evaluation leaves areas unexplored and conclusions may lack any rigorous justification.
Level 1 (1–6 marks) Mid mark 4	Some of the issues that could be open to evaluation may be introduced into the discussion but there is no attempt to go further than to show an appreciation of the issue – for example, 'Increased compulsory contributions are likely to lead to a fall in voluntary saving and could reduce the overall savings ratio'. There is no attempt to draw together the relevant issues in a conclusion.