

Answer **one** question. Each question is worth [25 marks].

1. (a) Explain the different objectives that a firm in an oligopolistic market structure might try to achieve. [10 marks]
- (b) Evaluate the view that an oligopolistic market is an inefficient market structure. [15 marks]
2. (a) Explain what the multiplier is and, using a numerical example, demonstrate how it can be calculated. [10 marks]
- (b) Evaluate whether real Gross Domestic Product (GDP) can be increased by the use of demand-side policies. [15 marks]
3. (a) Explain, using a diagram, how government intervention can change the exchange rate of a currency. [10 marks]
- (b) Reducing the value of a country's currency is an effective solution for a balance of payments deficit on the current account. Evaluate this view. [15 marks]
4. (a) Explain the differences between foreign direct investment (FDI) and aid. [10 marks]
- (b) Evaluate the view that aid is an effective means to achieve economic growth and development in less-developed countries (LDCs). [15 marks]

# Paper 1 Assessment Criteria

Part (a) 10 marks

Answer **one** question. Each question is worth [25 marks].

1. (a) Explain the different objectives that a firm in an oligopolistic market structure might try to achieve. [10 marks]



2. (a) Explain what the multiplier is and, using a numerical example, demonstrate how it can be calculated. [10 marks]



3. (a) Explain, using a diagram, how government intervention can change the exchange rate of a currency. [10 marks]



4. (a) Explain the differences between foreign direct investment (FDI) and aid. [10 marks]



**D**efinition(s) is absent of errors.

**G**raph is correctly labeled and shows directional shifts.

**E**xplanation is developed and supported with the 'how' and 'why' answers.

**E**xamples are used and supports the explanation.

**ZERO ERRORS  
EXIST**

**Part (a) 10 marks**

Level	Marks
0 The work does not reach a standard described by the descriptors below.	0
1 There is little understanding of the specific demands of the question. Relevant economic terms are not defined. There is very little knowledge of relevant economic theory. There are significant errors.	1–3
2 There is some understanding of the specific demands of the question. Some relevant economic terms are defined. There is some knowledge of relevant economic theory. There are some errors.	4–6
3 There is understanding of the specific demands of the question. Relevant economic terms are defined. Relevant economic theory is explained and applied. Where appropriate, diagrams are included and applied. Where appropriate, examples are used. There are few errors.	7–8
4 There is clear understanding of the specific demands of the question. Relevant economic terms are clearly defined. Relevant economic theory is clearly explained and applied. Where appropriate, diagrams are included and applied effectively. Where appropriate, examples are used effectively. There are no significant errors.	9–10

**D**efinition(s) is absent or errors.

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**E**xplanation is developed and supported with the 'how' and 'why' answers.

**E**xamples are used and supports the explanation.

**MINOR ERRORS  
EXIST**

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**D**efinition(s) may contain errors.

**G**raph is incorrectly labeled, does not show directional shifts, and/or is missing.

**E**xplanation exists, yet undeveloped and not supported with the 'how' and 'why' answers.

**E**xamples are missing or are incorrect.

**SOME ERRORS  
EXIST**

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**D**efinition(s) are incorrect or missing.

**G**raph is missing.

**E**xplanation is incorrect.

**E**xamples are missing or are incorrect.

***SIGNIFICANT  
ERRORS EXIST***

**Part (a) 10 marks**

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# Paper 1 Assessment Criteria

Part (b) 15 marks



Answer **one** question. Each question is worth [25 marks].

1.

(b) Evaluate the view that an oligopolistic market is an inefficient market structure. [15 marks]

2.

(b) Evaluate whether real Gross Domestic Product (GDP) can be increased by the use of demand-side policies. [15 marks]

3.

(b) Reducing the value of a country's currency is an effective solution for a balance of payments deficit on the current account. Evaluate this view. [15 marks]

4.

(b) Evaluate the view that aid is an effective means to achieve economic growth and development in less-developed countries (LDCs). [15 marks]

**D**efinition(s) is absent of errors.

**G**raph is correctly labeled and shows directional shifts.

**E**xplanation is developed and supported with the 'how' and 'why' answers.

**E**xamples are used and supports the explanation.

**C**ommand term is used correctly— judgement is made with reason and followed by a balanced analysis.

**ZERO ERRORS  
EXIST**

**Part (b) 15 marks**

Level	Marks
0 The work does not reach a standard described by the descriptors below.	0
1 There is little understanding of the specific demands of the question. Relevant economic terms are not defined. There is very little knowledge of relevant economic theory. There are significant errors.	1–5
2 There is some understanding of the specific demands of the question. Some relevant economic terms are defined. There is some knowledge of relevant economic theory. There are some errors.	6–9
3 There is understanding of the specific demands of the question. Relevant economic terms are defined. Relevant economic theory is explained and applied. Where appropriate, diagrams are included and applied. Where appropriate, examples are used. There is an attempt at synthesis or evaluation. There are few errors.	10–12
4 There is clear understanding of the specific demands of the question. Relevant economic terms are clearly defined. Relevant economic theory is clearly explained and applied. Where appropriate, diagrams are included and applied effectively. Where appropriate, examples are used effectively. There is evidence of appropriate synthesis or evaluation. There are no significant errors.	13–15

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**MINOR ERRORS  
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**E**xplanation exists, yet undeveloped and not supported with the 'how' and 'why' answers.

**E**xamples are missing or are incorrect.

**C**ommand term is not used correctly—judgement is absent.

**SOME ERRORS  
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**Part (b) 15 marks**

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Question is not properly addressed, answered, or is missing.

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# Paper 2 Assessment Criteria

20 marks

*(Question 2 continued)*

- (a) (i) Define the term *quota* indicated in bold in the text (*paragraph ⑥*). [2 marks]
- (ii) List **two** reasons why the government might wish to protect the domestic poultry industry. [2 marks]
- (b) Using an appropriate diagram, explain the likely effect that the suggested increase in the tariff (*paragraph ⑤*) would have on the domestic production of poultry. [4 marks]
- (c) Using an AD/AS diagram, suggest what will happen to employment if imports continue to damage the domestic poultry industry. [4 marks]
- (d) Using information from the text/data and your knowledge of economics, discuss the arguments for and against the protection of the domestic poultry market. [8 marks]



1.

a.

i. [2 marks] Define/list...

ii. [2 marks] Define/list...

b. [4 marks] Using a graph...

c. [4 marks] Explain .... how/why...

d. [8 marks] Evaluate...

*(Question 2 continued)*

- (a) (i) Define the term *quota* indicated in bold in the text (*paragraph ⑥*). [2 marks]
- (ii) List **two** reasons why the government might wish to protect the domestic poultry industry. [2 marks]
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- (d) Using information from the text/data and your knowledge of economics, discuss the arguments for and against the protection of the domestic poultry market. [8 marks]

1.

a.

i. [2 marks] Define/list...

ii. [2 marks] Define/list...

You will be awarded the full 2 marks if you show a clear understanding of the term by defining the term or listing the characteristics of the term correctly.

In order to give partial credit for a definition, IB will break up a definition of a term into its 'important' parts.

**USE INFORMATION FROM THE ARTICLE**

*(Question 2 continued)*

- (a) (i) Define the term *quota* indicated in bold in the text (*paragraph ⑥*). [2 marks]
- (ii) List **two** reasons why the government might wish to protect the domestic poultry industry. [2 marks]
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- (d) Using information from the text/data and your knowledge of economics, discuss the arguments for and against the protection of the domestic poultry market. [8 marks]

1.

b. [4 marks] Using a graph...

(b.) and (c.) point allocation is always divided by 2 points for the correct graph and 2 points for the correct explanation.

If the question requires a graph, the graph ***MUST*** be correctly labeled and must show ***ALL*** directional shifts to receive the full 2 points.

The written response explaining the graph must also be accurate.

This is a 4 point question, get to the point and answer the question, keep it short and simple. These answers usually contain factual information.

**USE INFORMATION FROM THE ARTICLE**

*(Question 2 continued)*

- (a) (i) Define the term *quota* indicated in bold in the text (*paragraph ⑥*). [2 marks]
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- (d) Using information from the text/data and your knowledge of economics, discuss the arguments for and against the protection of the domestic poultry market. [8 marks]

1.

c. [4 marks] Explain .... how/why...

(b.) and (c.) point allocation is always divided by 2 parts, 2 points for each correct explanation.

This is a 4 point question, get to the point and answer the question, keep it short and simple. These answers usually contain factual information.

State your claim, the '*what*' and then support it with the '*why*' and the '*how*'.

**USE INFORMATION FROM THE ARTICLE**

*(Question 2 continued)*

- (a) (i) Define the term *quota* indicated in bold in the text (*paragraph 6*). [2 marks]
- (ii) List **two** reasons why the government might wish to protect the domestic poultry industry. [2 marks]
- (b) Using an appropriate diagram, explain the likely effect that the suggested increase in the tariff (*paragraph 5*) would have on the domestic production of poultry. [4 marks]
- (c) Using an AD/AS diagram, suggest what will happen to employment if imports continue to damage the domestic poultry industry. [4 marks]
- (d) Using information from the text/data and your knowledge of economics, discuss the arguments for and against the protection of the domestic poultry market. [8 marks]



1.

d. [8 marks] Evaluate...

This question is no different than answering a paper 1 (b) question. The only difference is that the examples that you use must be from the article they provide. You **CANNOT** use any information or examples not provided to you in the article.

*(Question 2 continued)*

- (a) (i) Define the term *quota* indicated in bold in the text (*paragraph ⑥*). [2 marks]
- (ii) List **two** reasons why the government might wish to protect the domestic poultry industry. [2 marks]
- (b) Using an appropriate diagram, explain the likely effect that the suggested increase in the tariff (*paragraph ⑤*) would have on the domestic production of poultry. [4 marks]
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