

Examiners' Report  
June 2014

GCE Economics & Business 6BE04 01

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## **Introduction**

This session seemed to be very successful for many centres, with plenty of evidence of serious engagement with the subject of the case study. There was plenty of evidence of independent research linked to obesity and to the treatment of obesity related conditions. The fact that there were many television documentaries and news items relating to the subject, clearly helped teachers prepare candidates for the essay questions. Many candidates achieved Level 4 on both extended essay items, with some achieving very high marks indeed. What distinguished the more successful responses was an attempt to move beyond simple discussion towards an application of economic theory to the question being asked. Candidates who had learned the appropriate economic theory and were able to apply it to the context – price elasticity of demand to subsidy and ad valorem tax for example – were well rewarded by examiners. There was still a tendency for some candidates to simply rehearse and represent text book definitions and/or diagrams but not relate these to the context. This was acceptable, to some extent, for the 2 mark questions but not acceptable for the longer items.

## Question 1

The aim of this question was to test the candidate's knowledge of a key area of economic theory related to the context. In this case we were looking for an understanding of merit goods as a basic example of market failure. There was some evidence of confusion with public goods. However, as in previous sessions, partial definitions could be awarded full marks if accompanied by a valid example. Even examples not directly related to the context such as rail transport were awarded a mark.

There were many responses where the candidate offered a partial definition and then a valid example to achieve full marks. While this meant full marks, it often meant that candidate wrote more than was absolutely necessary, taking too long to answer a two mark question.

1 What is meant by the term 'merit good'? (See Evidence J, line 6.)

*A merit good is one which if left to the free market would be underconsumed or underproduced. Merit goods have positive externalities and social benefits. For example, free school meals, as they have positive externalities and a welfare gain to society.*

(Total for Question 1 = 2 marks)



### ResultsPlus Examiner Comments

This candidate achieved full marks with a definition and a valid, relevant example. In fact there was enough here to achieve two marks without the example.



### ResultsPlus Examiner Tip

Candidates need to learn precise definitions and be able to write them clearly and quickly in the examination. Perhaps short classroom tests could be used for such examination preparation. Candidates could also create their own glossaries of terms, which could be shared with the class.

## Question 2

Again, we were looking for an understanding of economic theory and not a “common sense” assertion that social costs “are costs to society...” In this instance, an understanding that social costs are private (internal costs of production and/or consumption) plus the external costs (costs to third parties, not directly involved in production and/or consumption and thus not taken into account by the price mechanism).

As with Question 1, it would have been possible to achieve full marks with a precise definition and then move on to the next question. However, many candidates wrote three or more sentences, including an example. While this did achieve full marks, it meant that it took more time than was necessary.

2 What is meant by the term 'social costs'? (See Evidence J, line - 18.)

Social costs are private and external costs together. A social cost is the negative effect to the consumer of the good and also the society around them. For example a person only eating fast food will become obese and this will bring negative costs to themselves such as heart disease. It also brings negative costs to the NHS who have to spend money to treat the obese which could be spent elsewhere.



**ResultsPlus**

**Examiner Comments**

This is a good example of a response where the two marks are achieved in the first sentence. There are no analysis marks for the two mark questions, thus the following three sentences do not achieve any additional marks.



**ResultsPlus**

**Examiner Tip**

Candidates should look carefully at the mark allocation and be familiar with the structure of the paper and previous mark schemes. Time taken on two mark questions can be thinking and writing time later on in the paper.

### Question 3

This is one of those questions where candidates tended to write "everything they know" rather than answer the question, which was why may there be a decline in the number of healthy lunches? Again, we are looking for an understanding of economic theory here and not an ethical judgement of right and wrong. Subsidy is a payment to a producer (not a consumer) and many candidates failed to understand this. The payment is intended to cover some or all of the costs of production, thus increasing supply, forcing down equilibrium price and increasing equilibrium quantity. If the subsidy is sufficient to cover all of the costs of production then meals can be provided free at the point of delivery. The question does, of course, ask for the impact of the removal of a subsidy and so requires the candidates to apply their understanding to the context. For full marks we expected to see a precise definition of a subsidy, application to the case of school meals and an indication of the likely consequence (i.e. reduced production and consumption of school meals). The stronger responses tended to take the analysis further and look at the likely impact upon "healthy" school meals and the re-introduction of "unhealthy" food and/or vending machines. There were some responses which included a diagram and if this was correct it was awarded 1 knowledge mark and 1 application mark.

This candidate writes concisely and achieves marks in each sentence. An efficient use of time for a four mark question.

3 Explain **one** reason why Michael Gove's removal of a subsidy may lead to a decline in the number of healthy lunches. (See Evidence J, line 12.)

A subsidy means the costs of production for a company is reduced by the Government. In this case, as the Government is used to provide subsidies to companies to reduce the cost of improving school canteens. This means the removal of this subsidy means there is no longer a financial incentive to improve canteens, so it is less likely improvements will be made. This may mean the production capacity of canteens is reduced, as for example, the equipment needed to provide all children healthy lunches, leading to a decline in the number of healthy lunches as children are more likely to buy unhealthy lunches from home. (Total for Question 3 = 4 marks)



**ResultsPlus**  
Examiner Comments

There is a clear understanding of subsidy. This is then applied to the context, where the subsidy was directed at the improvement of school canteens and equipment. There are then two consequences identified. A reduction of the capacity of canteens and an increase in the consumption of unhealthy packed lunches.



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**Examiner Tip**

The four mark questions will always require knowledge, application and analysis. It is best to think about analysis as involving the identification of a reason, a cause or a consequence. Candidates need to spend some time answering such questions in timed conditions to get used to this efficient approach. It is also much more likely they will then answer the question rather than simply write everything they know.

## Question 4

It seemed difficult for many candidates to answer this question logically as they were often unclear what a "wider economic consequence" was. For example, many started their answer with the increasing cost to the NHS but then failed to get as far as relating this to tax increases therefore often missing out on the knowledge mark. The best responses showed a clear understanding of the burden on the wider economy and gave a detailed and precise answer linking to loss of UK productivity and competitiveness with other less obese countries.

This question was generally answered well by the A and B grade candidates. Below this level many only achieved up to a total of two marks for application and analysis.

4 Explain **one** wider economic consequence of UK obesity.

Rising levels of healthcare costs have been attributed to rising obesity levels. It is estimated that it costs the NHS 6 billion pounds annually with the rising levels of weight loss surgeries. ~~The~~ Rising costs would only ~~push back~~ worsen the public sector deficit currently sustained by the UK with rising levels of government expenditure to support the NHS. In the long term, it would result in an increase in taxation because of not only external costs ~~but~~ but also lower tax revenues from people who are obese ~~who~~ and unable to work.



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**Examiner Comments**

This candidate achieved full marks, even though they began with the identification of rising healthcare costs. There is good application with reference to NHS spending. There is then analysis of a consequence, the public sector deficit. There is then further analysis not only in regards to rising taxation but also to falling tax receipts. The link to rising expenditure was where the knowledge mark was awarded.

A clear, precise response showing good knowledge, application and analysis.



As with the other four mark question, candidates need to be aware that there will be one knowledge and application mark, along with two analysis marks for these questions. A surprising number of candidates used extra paper to answer this question. The space provided is an indication of the appropriate length of the response.

### **Question 5**

We were looking for an understanding of the difference between progressive and regressive taxation and the likely economic consequences of increasing inequality. It was important here that candidates understood that income/wealth distribution is unequal (positive economic statement) and that fiscal policy can influence this income/wealth distribution. If they then developed this to explore issues of fairness (normative statements) then this is a development of the point and was rewarded, if based upon an analysis of the data. There are two obvious reasons in the case study – reduction in top rate of tax and introduction of 20% VAT on takeaway food. These are two distinct reasons. Some candidates also refer to the freezing of pensioner tax thresholds and the removal of the school meal subsidy. These were both valid, separate reasons and rewarded appropriately. Where a candidate extended the analysis of one reason – e.g. introduction of VAT and then said this may lead to unemployment and increased inequality then this was treated as one reason. Similarly, candidates who extended analysis of a reduction in the top rate and then said this will provide an incentive to work hard and/or spend money, creating employment, was also treated as one reason. There had to be a link to increased inequality for full marks to be awarded for each reason.

The mean mark for this question was 3.8. This was often because candidates gave only one reason and analysed this in full or identified two reasons but failed to offer any analysis.

### Indirect - Regressive

- 5 Analyse **two** reasons why the 2012 UK Government budget might lead to increased inequality.

Firstly, the government will be planning to increase the levels of taxation on demerit goods. These goods include alcohol, cigarettes and fatty foods. These indirect taxes come in the form of VAT, where ~~the~~ 20% is added to price of the goods. This is also known as a regressive tax, because people from all levels of income are all taxed the same rate but not in proportion to their income. Because the demerit goods are generally ~~the~~ price inelastic, it means demand is still high, even when prices are raised. This leads to an increase in inequality due to the poorer population having to spend more on goods.

Secondly, the government has now decreased the top tax rate from 50p to 45p. This therefore means that the amount that higher earners pay to government taxes is lower before. This can be seen in evidence G. This therefore means that the higher earners are actually earning more than previously and so the gap between the rich and poor is increasing again. Therefore there is a increase in income inequality.



**ResultsPlus**

**Examiner Comments**

This is a rare full-mark response, identifying two clear reasons with reference to the evidence. There is then a clear and precise development of each reason linked to increasing inequality. It was good to see the accurate use of terminology – demerit goods – and coherent, logical analysis.



**ResultsPlus**

**Examiner Tip**

Candidates need to be reminded that if an A2 question asks for two reasons then there must be two, distinct reasons given to access more than four marks. Unlike AS Level, there will never be two spaces provided with the labels "Reason 1" and "Reason 2" to remind candidates about this type of assessment.

## **Question 6**

On the face of it, this would seem to be quite an easy question but it was not answered particularly well by the majority of candidates. Candidates tended to focus on free school meals for low income families but without considering why it might be beneficial to offer them to everyone without means testing. Some candidates made good use of evidence to support their analysis but some merely repeated data without using it and therefore did not earn as many marks. Candidates often started off well but then realised they were running out of space and therefore their answers lacked balance and did not then access Level 4. The stronger answers were from those who fully developed the reasoning around one point before moving to another rather than trying to write everything they knew about free school meals without any evaluation.

Assess means evaluate – ideally assess the case for and against, in terms of short term costs and long term benefits. Many candidates attempted some assessment, often in terms of equity/fairness; but few actually answered the question set. In other words, identify and analyse the (short term) costs and identify and analyse (long term) benefits. In order to achieve level 4 this had to be present and for high level 4 this had to be in context (preferably with reference to evidence – either from the case study or their own examples).

There were many examples of what we term “unsupported assertions” and conclusion beginning with “I believe”. Conclusions should be based upon analysis in context to be awarded level 4.

6 Assess the case for providing, for all schoolchildren, free school meals from general taxation.

If free school meals are provided for all school children from general taxation such as income tax or VAT through the fiscal policy this can have many benefits. In the short term children will be able to concentrate more in schools which would increase the quality of their educational skills which carries onto the long term social benefit of a healthy lifestyle and longer life expectancy. By investing into this the government will have a short term private cost with the increase in the budget deficit, however in the long term the unemployment numbers will decrease as the quality of the workforce increases as disposable income therefore rises, increasing the governments tax revenue and decreasing the costs with less spending on the NHS due to a healthier nation as well as less welfare benefits being paid due to the increased employability. This can therefore in the long term reduce inequality and poverty as the gini coefficient of income inequality to decrease showing more equality in society as the disposable income will increase because the 700,000 children from poor families who were not entitled to free school meals will be able to obtain them as will the rest of the nation.

On the other hand if Ed ~~Miliband~~ Miliband increases the income tax rate from 45p to 50p to fund this then it is likely

that the big UK businesses will move elsewhere taking their capital with them which will decrease job opportunities and stunt economic growth, leaving less tax to invest in free school meals. Also the general taxation fund could be used on frontline spending such as teachers or improved school facilities which can directly affect the quality of the education with a lower risk. (Total for Question 6 = 10 marks)

**TOTAL FOR SECTION A = 30 MARKS**

However I think that the 'hot chicken tax' or 'fat tax' should be introduced to fund the free school meals as in the long term the trend can be changed to healthy eating which will also directly affect the quality of education like frontline spending but also decrease social costs of street disturbances as children will be better behaved in schools and more will be working in the future, increasing disposable income and therefore consumer spending and leading to economic growth despite the short term increase in budget deficits.



**ResultsPlus**

**Examiner Comments**

This response is one of the stronger ones, showing good use of economic terms, analysis and evaluation in context. There is a clear, logical progression to the response and the candidate was awarded Level 4 – 10 marks.



**ResultsPlus**

**Examiner Tip**

The stronger answers were from those who fully developed the reasoning around one point before moving to another. This is a generally true evaluative question. There is still a tendency to write all the "good things and then write all the "bad things". This often means evaluation is limited and answers unbalanced.

## **Question 7 (a)**

The question asks about “limiting free treatment” it does not ask about charging for treatment. Some candidates answered the question they would have liked to see rather than the question set. Part of the challenge of the question was in identifying and analysing what “limiting” may involve. If a candidate discusses this, suggesting that this may mean charging for treatment/surgery, then this was rewarded. It was the development of one point. If it was evaluated then it could get into Level 4. However, charging is not the only way of “limiting free treatment”. It could be that patients who are obese are simply refused treatment or that conditions, such as losing weight, are attached to their initial or ongoing treatment. Most candidates answered in context however some of the evaluation was weak and some went off the question to talk about a “fat tax” being more effective at reducing obesity. For the higher level 4 responses we were looking for an understanding of short term benefits versus long term costs; the opportunity cost of treating obesity and wider economic implications of limiting treatment.

The question clearly wanted candidates to show that they had studied economic concepts but unfortunately many gave an often unsubstantiated discussion on NHS treatment of obese patients without developing the effect on the economy. Some otherwise quite good answers failed to use any of the evidence and therefore their analysis was less strong. Some candidates got slightly subjective and emotive and lost the strength of their argument because of it. As is often the case candidates struggle to present both sides and then come to a conclusion which just repeats what they have already said. As a result of this, marks of 18 and above were rare with an average of 14 at the top of Level 3 and a mode of 15 at the bottom of Level 4.

7 \*(a) Assess the economic case for limiting free NHS treatment of obese patients.

(20)

NHS is an organisation that provide free health care for the general society. obese people are people with BMI more than 30 ~~percentage~~ Index. In UK which is 23% of the population.

As there are less free treatment for obesity people, the government will have more money to spend on other sectors such as education and defence, and government have more money to provide public good and merit good which lead to positive externalities in the society and government can use the money to create jobs. therefore less benefit government have to pay, and they'll have more tax payer at the same time. As unemployment rate reduce, more people have more money to spend, so they general boost the local economy and increase the aggregate demand, and by having more profit by each business, the GDP of the country will grow and the ~~real~~ standard of living will increase.

~~But~~ And weight loss surgery if its free, people are less promoted to loss weight by them self, and as NHS is limit budget. if the more they spend on obesity problems, the less they can spend on other things like cancer and heart disease. In most case, people can ~~to~~ reduce weight by restricty ~~to~~ what they eat and ~~to~~ <sup>do</sup> more exercise. but cancer is hard to control. And weight loss surgery is not the most ideal way

to loss weight. It will cost other problems and cost NHS more more on other treatment. ~~But~~ And somehow, people might leave longer ~~after~~ after they've been treated by NHS by getting weight loss surgery, and they'll require other treatment ~~so~~ like heart problem and other things and when they are ~~retira~~ retired, they'll require pension from the government, as they are not paying tax, it's not idea for ~~the~~ government as they need to pay more money.

The less government are sparing on obese related problem, they can subsidy on healthy food industry and leisure centres, will will increase the number of people ~~and~~ being active and people will eat more healthy, and this will reduce obesity in long term and lead to a much more healthy life style.

But on the other hand, this can be a regressive decision, as rich people will still be able to pay for weight loss surgery. It won't affect them much, but poor people will be hit the most as this is luxury good for them, and if they're paying for their surgery, the less they can pay on other things such as healthy food. And as healthy food are more expensive, it will just be ~~as bad~~ negative cycle for them as they need to eat more unhealthy food. And this will lead to rise in inequity, and unstable economics.

And ~~gover~~ less weight loss surgery, more people are obese, and obesity people generally have less confident to find job, so most of them will claim on benefit and the society will be less productive, by that the government will need to pay more benefit and there will be drug, alcoholic abuse due to the unemployment and the social cost will be high, and will be more crime, so its negative multiplier effect. And when people are obese, they are unhealth and require more sick

days, so the cost for the business will increase and ~~more~~ less profit for the share holder. therefore the wages might reduce, people have less disposable income in the local area, and will lead to ~~the~~ economic downturn, so the GDP will fall and the country will be less competitive. And as obese people are generally slower, so they are less productivity than others which is making the ~~ess~~ economy not very productive.

In conclusion, the obesity will reduce in long term, but short term, ~~more~~ weight loss surgery is the most efficiency way. But its always hard for NHS to determine who to treat. as some people will have heart disease, and its not related to their obesity problem. And as ~~long~~ people smoke a lot of a cigarette and still get free treatment, so its not fair for the obesity people, and some times its their gene decide they become obese, so its not fair that those people have to pay for themself, and nowadays, as its knowledge structure change, so people are having more jobs monitoring the computer rather than ship building, and it ~~will cost them~~ lead to ~~more~~ less activity of them but its not their fault they obese. By the country getting more ~~a~~ factories in the city, less path ways, and more crime on the street, the general society will become less active. And its morally wrong for NHS just letty obesity people dying. And as the obesity people are the people who can't afford healthy food, making them paying for their own treatment will make their situation ~~not~~ worse as the inequality in the UK will increase. so the cost might outweigh the ~~benefit~~ benefit. government might need to do cost benefit analysis to see if its worth doing this.



## ResultsPlus

### Examiner Comments

This was certainly one of the stronger responses and was awarded a high Level 4. There was clear structure, a good use of economic terms and a definite conclusion which continued the evaluation.



## ResultsPlus

### Examiner Tip

Evaluation is best conducted in the course of the essay, with each point being evaluated before another argument is presented. Writing must be legible for marks to be awarded. It is worth completing timed essays, using pen and paper, before the examination.

### **Question 7 (b)**

There were some really good answers here. We were looking for the application of economic theory to the question of regulation which may include: market-based incentives such as indirect taxation (fat tax) and subsidies (subsidised school meals, tax incentives to producers of healthy food); command and control policies within the food industry, including planning restrictions for fast food outlets, food labelling and content directives; direct government intervention through its own spending programmes on health education, free school meals; self-regulation through voluntary codes established and monitored by the industry itself. The best responses (high level 4) looked at 2 or 3 of these approaches and thoroughly evaluated each one in the course of the essay. There needed to be a conclusion based upon the previous evaluation. Some of the really good responses also showed an awareness of the complexity of the problem and that regulating the food industry maybe one-dimensional and thus not as effective as a more holistic approach.

There were many directions in which this question could develop and some candidates could not decide on a focus and therefore tried to write about everything, with the result that there was very little depth to any of it and the marks were limited. Surprisingly, only a few candidates produced a plan before they started and therefore many lacked structure. Those that did manage to follow a reasonable structure of perhaps 3 points really well supported with evidence and evaluation before moving to the next point were able to judge between their 3 points as to how much the food industry is in need of regulation.

However, as always the conclusion was the hardest thing to do and it was unusual but refreshing to read a response that was finished off in a thoughtful way instead of being rushed and put in as an afterthought, often because time had run out.

\* (b) Evaluate the extent to which the UK Government should regulate the food industry.

(30)

Obesity is the result of overconsumption of food by individuals, resulting in being overweight. This is an example of market failure, and as evidence A shows, is increasing across the UK, especially among women (8,654 in 2011 women admissions of obesity to 2,919 men). This market failure occurs because of two reasons; firstly overconsumption. This results from ~~the~~ information failure and external costs to the third parties. Also, underconsumption, due to lack of competition in the market and external benefits resulting.

The Government can regulate the food industry in various ways, & this is needed due to the market failure of obesity.

Firstly, ~~the~~ the best way for the Government to regulate the market is through taxation, as this is the only way they can regulate & bring in revenue from doing so. This taxation may include increased VAT (indirect tax) on food products, reducing consumption of such foods & in turn reducing obesity. As evidence E shows, placing VAT on hot takeaway food, classed as snacking, on-the-go food, provides the opportunity to reduce obesity. Tax methods may also be used such as "fat tax", where tax is placed on delectable goods of food such as chocolate & fizzy drinks. However, in Denmark this proved unworkable & resulted in people driving across the border to Germany to get their food. Imposing taxes on food proves high in administration cost, especially if it's

a completely new tax being placed, may bring in the consumer also. However, since obesity is increasing globally, Gov. Intervention via tax may be a necessary procedure to reduce such a market failure.

In addition, due to information withdrawal, obesity is soaring, & the Government intervention is necessary to help people know what they're eating. This involves labelling of foods, for example the traffic light labelling system, depending on their nutritional value, thus not pulling wool over the consumer's eyes & allowing them to know the actions/results of what they're purchasing. In processed foodstuffs such as ready-made sandwiches this is a harder process & easier for consumers to have little knowledge. This labelling is good for the Government as it is done by the companies themselves (voluntary), thus is little or no extra tax costs. ~~To do~~

In relation with this, education is vital to the obesity epidemic & Government intervention is very vital.

53% of obese women in the UK have little/no qualifications. ~~No~~ No education <sup>may</sup> leads to obesity since people are unaware of nutritional importance, thus eat more, resulting in poor health & off sick more from work, affecting employers & resulting in reduced productivity. In addition this affects the Government and the economy as they have to pay more in benefit tax as well as receive less in income tax, increasing the budget deficit. In this sense, Government intervention

is necessary in order to help the economy grow & reduce poverty. This may be done through advertising of the bad products, for example in evidence C, Aggressive marketing is misleading in ~~the~~ making people think sports drinks are good for you, ~~it~~ even without exercise. Moreover, free school meals (evidence D), that contain at least one portion of fruit or vegetables. Education for children is key as this is a sustainable way of helping the economy. Educated children, mean more qualifications, more employment & helping the economy via reduced unemployment & increased income tax.

However, the Government are more focused on macroeconomic policies such as inflation & interest rates, & where obesity does have an impact on such policy, eg unemployment, it is only minor, & thus should the government therefore spend time regulating the food industry? Hayek would argue that we should let the free market run naturally, & opposed government intervention. In this sense, we are a free market & people are free to choose what they buy. We are all rational beings in a rational world & thus, should the gov. regulate, when it's simply down to will power & free choice. Moreover, Government intervention through increasing taxes to supply the merit goods of the NHS, only makes obesity a global external cost, whereas, it should be a individual private cost, since the individual is simply eating too much? In recent articles, I have read that

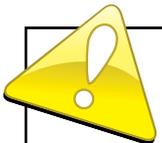
obesity could be classed as an addiction, like alcoholism, where people are addicted to food. However, since food is in a different category to alcohol & tobacco, since in proportion it's good for us & needed to survive, it gets taken in the sense obesity is self imposed, which in reality may not be an active choice, but an addiction.

To conclude, the Government to some extent needs to intervene since obesity is growing & affecting the economy & putting strain on the public sector. However, parents need to do a better job of educating their children & 'passive obesity' needs to be looked into - the Government to some extent shouldn't spend time sorting such social & personal issues, yet look more into macroeconomic policies.



### ResultsPlus Examiner Comments

This is an example of a strong response achieving high Level 4 and 28 marks. There is a balanced conclusion and recommendation based on sound analysis of the economic situation and case study information. The candidate uses economic and business terminology precisely and effectively with good spelling, punctuation and grammar.



### ResultsPlus Examiner Tip

This final question can only be done effectively if candidates have had plenty of timed practice on a range of possible topics prior to taking the exam. This is really important. In addition, writing has to be legible. Candidates cannot expect to be rewarded for sections of text which cannot be read by the examiner.

## Paper Summary

Based on their performance on this paper, candidates are offered the following advice:

- There were an unusually large number of scripts sent to be reviewed by examiners due to the poor quality of handwriting. It is important that basic handwriting is of an appropriate standard and I would recommend that student work is handwritten, rather than word processed, in informal assessments during the teaching course. It is a shame to see potentially good scripts not achieving marks because of illegibility.
- Candidates need to learn precise definitions of syllabus terms and practice answering definition type questions in timed conditions.
- Candidates need to take note of the marks available for each question and, using previous papers and mark schemes, be more aware of how knowledge, application, analysis and evaluation marks are allocated and awarded.
- In the levelled questions, candidates need to practice writing, by hand, in timed conditions. Evaluation is more effective if it takes place systematically throughout the paper rather than being left to the final couple of paragraphs.
- Conclusions need to add something to what has already been said and be based upon previous analysis. It is very unlikely that marks will be awarded for simply repeating earlier comments.
- Evidence and examples need to be used to support analysis and evaluation. It not enough to simply repeat or quote evidence from the case study or from a candidate's own research. The evidence has to be used in some way to support a point or illuminate an argument.
- Candidates also need to remember that there is a synoptic element to the paper, thus appropriate use of business and economic terms will be rewarded and their use may well lift a response to a higher assessment level.

This was a successful paper for many candidates, who were clearly interested in the case study and the topical issues surrounding it. What differentiated the top grade candidates from the rest was their use of economic and business concepts, the clarity and precision of their writing and a willingness to reach a reasoned conclusion.

## **Grade Boundaries**

Grade boundaries for this, and all other papers, can be found on the website on this link:

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