

# Mark Scheme (Results) Summer 2008

IGCSE

## GCSE Business Studies and Economics (Nuffield) (1171) Paper 2F

1171/2F Mark Scheme June 2008

Question Number	Indicative content
1(a)	<p>Economic growth is the increase in the productive capacity of the economy over a period of time. Productive capacity refers to the amount of goods and services produced in a given time period. Economic growth is usually measured by gross domestic product, the total value of goods and services produced in a year. Examples might refer to the rate of change of GDP, for example, 'economic growth rose by 2% last year' or might give a more story-like answer such as 'if the UK produces more goods and services in 2008 than it did in 2007 then it has experienced economic growth'.</p> <p>Up to 2 marks for a full definition and up to 2 for the supporting example. <b>4 marks</b></p>

Question Number	Indicative content
1(b)	<p>Benefits might include:</p> <ul style="list-style-type: none"> <li>• Increase in the range of goods and services available</li> <li>• Increase in the standard of living</li> <li>• Greater choice</li> <li>• Increase in tax revenue for government which might be used for provision of public services</li> <li>• Improvements in health, education and welfare services</li> <li>• Reduction in the incidence of poverty</li> </ul> <p>There will be 1 mark for identifying the appropriate benefit and up to 3 marks for the quality of the explanation. Quality explanation will clearly make the link between the benefit and economic growth. It will use appropriate terminology and show a clear understanding of the concept. Weaker development will offer a simplistic explanation lacking in detail. <b>4 marks</b></p>

Question Number	Indicative content
1(c)	<p>The costs might include:</p> <ul style="list-style-type: none"> <li>• Unequal distribution of income</li> <li>• Higher inflation</li> <li>• Externalities - pollution etc.</li> <li>• Stress</li> <li>• Increase in crime</li> </ul> <p>1 mark for the identification of the cost and up to 3 further marks for the explanation. As with part (b) above a quality explanation will be characterised by an understanding of the cost itself and an ability to develop the point. There will be a clear link between growth and the cost made. At the lower end of the mark range, the development will be simplistic and lack the use of appropriate business and economics terminology. <b>4 marks</b></p>

Question Number	Indicative content
1(d)	<p>Inflation is a rise in the price level across the economy, a rise in the general price level. It is measured by the Consumer Price Index which records the average price changes across a range of goods and services' To get the full 2 marks some reference must be made to average or general price level. A response such as 'an increase in prices' will only gain 1 mark.</p> <p style="text-align: right;"><b>2 marks</b></p>

Question Number	Indicative content
1(e)	<p>Any two possible effects can be accepted, 1 mark for each effect. This might include:</p> <ul style="list-style-type: none"> <li>• Difficulties in planning</li> <li>• Loss of jobs</li> <li>• Uncertainties over input prices</li> <li>• Increases in cost forcing them to increase prices themselves</li> <li>• Costs of having to change prices</li> <li>• Possible difficulties in being competitive (abroad)</li> <li>• Pressure on wages to rise - increasing costs</li> <li>• Impact on sales (e.g. less custom)</li> </ul> <p style="text-align: right;"><b>2 marks</b></p>

Question Number	Indicative content
1(f)	<p>The intention here is to encourage candidates to offer some evaluation. There will be 1 mark awarded for making the judgement - selecting the effect - and then up to 3 further marks for the quality of the development of that point. If the development is well structured and shows clear understanding the candidate could score 4 marks in total. To get to 4 marks when only one effect is considered, there must be some evidence of some evaluative comment in the response. To get into the upper mark range (5 - 6 marks) the candidate must make some reference to <b>both</b> effects in their answer and offer at least some development of both of them. The upper mark range, therefore, will have some clear evidence of evaluative comment. Simple development without the clarity of understanding might only get a maximum of 3 marks at best.</p> <p style="text-align: right;"><b>6 marks</b></p>

Question Number	Indicative content
1(g)	<p>The interest rate is the cost of borrowing money. It is the amount of money a lender will charge for the privilege of using their money. The Bank of England sets the interest rate in the UK. (Of course, the reality is more complex but at this level this is acceptable). An example might include a numerical reference such as 'If I borrowed £100 from a bank at an interest rate of 5% I would have to pay back £105 back at the end of the year; the £5 would be the interest.'</p> <p>Up to 2 marks for an appropriate definition and up to 2 further marks for an appropriate example.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number		Indicative content
1(h)		<p>The main principle when marking this question is to see a train of thought that outlines some form of transmission mechanism. This has been a challenging topic area for many students in the past and there is no reason to suspect it will be any different this year.</p> <p>Essentially we are looking for the thinking to recognise that interest rates affect borrowing costs, this in turn acts as a disincentive to borrow by both firms and individuals and this then feeds through to consumption. If consumption falls or eases off then company sales fall and this might lead to businesses thinking twice about raising prices and possibly even reducing them to try and encourage sales.</p> <p>At this level we are not expecting anything sophisticated but there should be a basic understanding of the role of interest rates in affecting inflation.</p> <p style="text-align: right;"><b>6 marks</b></p>
Level	Mark	Descriptor
Level 2	4-6	An answer which is able to follow through the main stands of the transmission mechanism and which uses appropriate terminology in the process. Such answers will be at the top end of the mark range whereas at the bottom of this level the use of terminology will not be so strong or there might be some confusion in understanding the mechanism. The quality of written communication will be of a good standard with minimal errors in spelling, punctuation and grammar and appropriate use of terminology throughout.
Level 1	1-3	An answer showing limited understanding of the transmission mechanism. There may be a simple link made between the rise in interest rates and the fall in inflation - 'interest rates rising mean people can spend less and this makes inflation fall'. The extent of the detail will be lacking. The quality of written communication will be reasonable but there may be some errors in spelling, punctuation and grammar and limited use of appropriate terminology.

Question Number	Indicative content
1(i)	<p data-bbox="523 266 983 300"><b>(i) Householders with a mortgage</b></p> <p data-bbox="619 333 1520 636">Householders are likely to be unhappy with the rise in interest rates as it means that they will have to pay out more each month for their mortgage (unless they are on a fixed rate mortgage - if any candidate recognises this they are likely to be at the top of the mark range). It might mean that they will have to think about cutting back their spending to accommodate the rise in rates and this might affect their standard of living. The effect will depend to a large extent on the size of their mortgage and the extent to which interest rates rise.</p> <p data-bbox="1409 640 1520 674" style="text-align: right;"><b>4 marks</b></p> <p data-bbox="523 674 842 707"><b>(ii) People with savings</b></p> <p data-bbox="619 741 1520 943">People with savings are likely to be pleased at the interest rate rise because if their savings attract interest then they will be earning more from those savings. Just how much they will benefit depends on how big their savings are and how large the interest rate rise is. For some it will hardly make any difference at all because the rise in interest rates is hardly likely to be that big.</p> <p data-bbox="1409 947 1520 981" style="text-align: right;"><b>4 marks</b></p> <p data-bbox="523 981 850 1014"><b>(iii) A restaurant owner</b></p> <p data-bbox="619 1048 1520 1417">Restaurant owners might be badly affected by the interest rate rise, especially if they have taken out loans. They will find that their costs of production will now rise and this could affect their profit margins. If they do not have loans they might not be affected quite so badly. It is possible that restaurant owners might be affected by a fall in demand for their product as people now decide not to go out for meals as much after the rate rise. It will depend to a large extent on how expensive their meals are, where they are located and the degree of loyalty of their customers. It will depend, therefore, on their situation as to what their view of the interest rate rise would be.</p> <p data-bbox="619 1451 1520 1798">The aim is to get students to break down the different perspectives of an interest rate rise. For each stakeholder some clear understanding, rooted in business and economics, of the impact is expected. If candidates merely offer some form of general knowledge comment with little or no business and economics then they will be at the lower end of the mark range. Those at the top of the mark range will offer a well developed response in which there is clear evidence of understanding or where they offer some form of balance or evaluative comment in their answer.</p> <p data-bbox="619 1798 1520 1865">1 mark for the viewpoint (pleased, angry, apathetic) and up to 3 marks for the quality of the development x 3.</p> <p data-bbox="1409 1865 1520 1899" style="text-align: right;"><b>4 marks</b></p>

Question Number		Indicative content
1(j)		<p>We should expect a short but competent explanation of how cutting costs when facing a drop in sales due to a recession could help a business. It might help them to become more competitive, to reduce their prices and so reverse the drop in sales. At this level, we are looking for the links to be made consistent with the requirements of Unit 3, enquiry 5.</p> <p>We are also looking for some evidence of assessment in the answer. Ideally we are looking for candidates to be saying something like, 'it depends how much costs can be cut...' or 'they may not be able to cut costs because they are already as low as they can get...' in other words, they will be using the 'it depends' rule here.</p> <p style="text-align: right;"><b>6 marks</b></p>
Level	Mark	Descriptor
Level 2	4-6	A well developed response which shows some understanding of how cutting costs can help a business to cope with a slowdown in the business cycle. At this level and especially at the top end of the mark range there will be clear evidence of evaluation to meet the assessment objective. The quality of written communication will be of a good standard with minimal errors in spelling, punctuation and grammar and appropriate use of terminology throughout.
Level 1	1-3	A limited response which makes only a simple link between cutting costs and how a business might cope with a slowdown in the business cycle. The level of understanding will be weak and there will be little or no evidence of evaluative comment in the answer. The quality of written communication will be poor and there will be regular errors in spelling, punctuation and grammar with limited use of appropriate terminology.

Question Number		Indicative content
2(a)		<p>Specialisation refers to a situation where an individual worker or a machine (or piece of land) performs a task to which it is best suited. It may be that the individual has particular skills or talents that make them more productive at the task than others but this productivity is likely to increase as the persons specialises further.</p> <p>Up to 2 marks for the definition and a further 2 marks for the supporting example.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number	Indicative content
2(b)	<p>The benefits might include:</p> <ul style="list-style-type: none"> <li>• Staff develop particular skills in one aspect of the job</li> <li>• Productivity and production might increase</li> <li>• The business can add more value</li> <li>• The staff might be more motivated because they are doing something they are good at or like</li> <li>• The business might benefit from an increase in quality</li> </ul> <p>1 mark for identifying an appropriate benefit and up to 3 marks for the quality of the development. At the top end of the mark range, candidates will be able to offer a well developed response which shows an understanding of benefit that the point identified will have for the business. This understanding will be rooted in business and economics knowledge and will use appropriate terminology. At the top end of the mark range the candidate will be able to make the link clear and use appropriate terminology, for example, 'by producing more the business can increase sales revenue and this can lead to increased profits'.</p> <p>At the lower end of the mark range, the answer will make a simple link between specialisation and the benefit to the business but offers little further explanation.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number	Indicative content
2(c)	<p>The costs might include:</p> <ul style="list-style-type: none"> <li>• If a member of staff is ill or leaves then this can disrupt production</li> <li>• It can take a long time and cost money to train a person to a particular skill</li> <li>• Risk of boredom/monotony if workers are faced with repetitive tasks</li> <li>• It might be more difficult to recruit staff with a particular specialism</li> <li>• Production might become less flexible because individuals cannot do other workers jobs</li> </ul> <p>As with (b) above, 1 mark for identifying an appropriate cost and up to 3 marks for the quality of the development. At the top end of the mark range, candidates will be able to offer a well developed response which shows an understanding of the costs of specialisation. This understanding will be rooted in business and economics knowledge and will use appropriate terminology.</p> <p>At the lower end of the mark range, the answer will make a simple link between specialisation and the cost but offers little further explanation. Where a candidate interprets the question as a reference to the business being specialised in a specific market (i.e. quality furniture) can achieve a maximum 2 marks.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number	Indicative content
2(d)	<p>1 mark for any reasonable and appropriate method. These could include:</p> <ul style="list-style-type: none"> <li>• Pay</li> <li>• Bonuses</li> <li>• Additional holiday allowances</li> <li>• Offering praise and support for good work</li> <li>• Employee of the month award</li> <li>• Discounts on furniture</li> <li>• Company nights out/weekends away</li> </ul> <p style="text-align: right;"><b>2 marks</b></p>

Question Number	Indicative content
2(e)	<p>The intention here is to encourage candidates to offer some evaluation. There will be 1 mark awarded for making the judgement - selecting the factor - and then up to 3 further marks for the quality of the development of the point. If the development is well structured and shows clear understanding the candidate could score 4 marks in total. To get to 4 marks when only one effect is considered, there must be some evidence of some evaluative comment in the response. To get into the upper mark range (5 - 6 marks) the candidate must make some reference to <b><u>both</u></b> factors in their answer and offer at least some development of both of them. The upper mark range, therefore, will have some clear evidence of evaluative comment and may set the answer in the context of this small firm. Simple development without the clarity of understanding might only get a maximum of 3 marks at best.</p> <p style="text-align: right;"><b>6 marks</b></p>



Question Number	Indicative content
2(f)	<p>Appropriate methods might include:</p> <ul style="list-style-type: none"> <li>• Weekly staff meetings</li> <li>• Newsletters</li> <li>• Direct contact - talking to staff!</li> <li>• Mobile phone</li> <li>• Pager</li> </ul> <p>Any two appropriate methods - 1 mark each. 1 mark for the brief description of each method.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number	Indicative content	
2(g)	<p>The emphasis here is on the small business context. Michael has a small staff in business terms and the type of product they are making is high quality. Teamwork would seem to be an important factor in making the business work. It is likely therefore, that Michael needs to employ a leadership style that encourages discussion and shared decision making. It is unlikely that he would be too hierarchical (don't expect that term to be used) and probably will not be the sort of person that gives orders and expects them to be carried out. The leadership style will be characterised by delegation therefore.</p> <p style="text-align: right;"><b>6 marks</b></p>	
Level	Mark	Descriptor
Level 2	4-6	An answer that offers some discussion of different leadership styles and which is able to make a link with the context of the small business. At this level, and especially at the top end of the range, expect to see some supported judgement of the type of leadership style given. The quality of written communication will be of a good standard with minimal errors in spelling, punctuation and grammar and appropriate use of terminology throughout.
Level 1	1-3	Some limited understanding of leadership styles will be evident but it is likely to be unbalanced and lacking in detail. There might be a judgement made but with very little or no supporting information. The quality of written communication will be poor and there will be regular errors in spelling, punctuation and grammar with limited use of appropriate terminology.

Question Number	Indicative content
2(h)	<p>Diseconomies of scale are the disadvantages of large scale production that result in higher average or unit costs. They mostly arise because of difficulties of communication in a large business which may lead to inefficiencies.</p> <p>For the full 2 marks, some reference is made to the rise in unit or average costs rather than simply 'a rise in costs'.</p> <p style="text-align: right;"><b>2 marks</b></p>

Question Number	Indicative content
2(i)	<p data-bbox="523 275 1002 309"><b>(i) The new government of Liberia</b></p> <p data-bbox="619 338 1517 808">The government might have been concerned about the deal because they might have thought the price was too low. This is why they have re-negotiated with Mittal. Having now agreed a higher price, they may feel it will bring a variety of possible benefits. This might include increases in tax revenue, possible improvements in infrastructure and a draw for other investment into the country. The government might be wary, however, of the size and power of such a large company and may overstate the benefits that might flow from the decision of Mittal to locate in the country. The size of the benefits that they receive will depend on the nature of the business, the size of the investment and the type of jobs, etc. that are being brought to the country. The evidence suggests that there might be more jobs created as a result of the re-negotiation.</p> <p data-bbox="1409 815 1517 848" style="text-align: right;"><b>4 marks</b></p> <p data-bbox="523 846 831 880"><b>(ii) Workers in Liberia</b></p> <p data-bbox="619 913 1517 1115">Workers might be pleased with the deal as it might offer them the chance of more work. However, they might also be wary of the fact that there might be more jobs created for workers from abroad rather than for local workers. For those already working in the industry it might signal a more secure future and they might therefore be supportive of the deal.</p> <p data-bbox="1409 1122 1517 1155" style="text-align: right;"><b>4 marks</b></p> <p data-bbox="523 1153 863 1187"><b>(iii) A Mittal shareholder</b></p> <p data-bbox="619 1220 1517 1556">Shareholders in Mittal might be very pleased with the original deal as it seems to have helped the company secure iron ore deposits. This might mean that the business can improve production and productivity and as a result become more profitable. This in turn might mean more dividends for them or a rise in the share price. On the other hand, they might be less pleased about the company having to re-negotiate the deal as it has now cost the company more. This might have the opposite effect on share price but might not be that damaging - the company might still benefit from having the new deal.</p> <p data-bbox="619 1590 1517 2004">The aim is to get students to break down the different perspectives of the decisions by MNCs to locate in less developed countries. For each group some clear understanding, rooted in business and economics, of the decision is expected. If candidates merely offer some form of general knowledge comment with little or no business and economics then they will be at the lower end of the mark range. Those at the top of the mark range will offer a well developed response in which there is clear evidence of understanding or where they offer some form of balance or evaluative comment in their answer such as the 'it depends' rule. 1 mark for the viewpoint and up to 3 marks for the quality of the development x 3.</p> <p data-bbox="1409 2011 1517 2045" style="text-align: right;"><b>4 marks</b></p>

Question Number		Indicative content
2(j)		<p>The benefits of multinationals might include:</p> <ul style="list-style-type: none"> <li>• Increases in the level of economic growth - and the effect on standards of living</li> <li>• Increased number of jobs</li> <li>• More tax revenue for the government</li> <li>• Possible improvements in investment in infrastructure</li> <li>• Increase in skills and training for workers</li> <li>• Encourages other businesses to locate there</li> <li>• Helps export earnings</li> </ul> <p>We are looking for candidates to comment on some of the benefits to a country like Costa Rica (the evidence gives some clues) and to offer some short explanation. The command word is 'assess' so we should be looking for some evidence of the extent to which these benefits will be gained.</p> <p style="text-align: right;"><b>6 marks</b></p>
Level	Mark	Descriptor
Level 2	4-6	A well developed response which explains at least one benefit . At this level there is clear evidence of evaluative comment in the answer meeting the demands of the command word 'assess'. This might be in the form of: 'It is extremely important because...' with the supporting information rooted in business and economics understanding and making appropriate use of the evidence. The quality of written communication will be of a good standard with minimal errors in spelling, punctuation and grammar and appropriate use of terminology throughout.
Level 1	1-3	A response which offers weak or limited development of benefits. A list might appear in this level. There is little by way of evaluative comment. The quality of written communication will be poor and there will be regular errors in spelling, punctuation and grammar with limited use of appropriate terminology.

Question Number	Indicative content
3(a)	<p>A market is any place that brings together buyers and sellers with a view to agreeing a price. Examples could include any situation where buyers and sellers meet - street market, stock exchange, supermarket etc.</p> <p>1 mark for recognising buyers and 1 for recognising sellers. Up to 2 marks is for the example.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number	Indicative content
3(b)	<p>The market clearing price is the price where the amount consumers wish to purchase is the same as that which suppliers are willing to offer for sale. There is no shortage or surplus in the market.</p> <p>An answer that makes reference to it being where '<i>the two sides are the same or equal</i>' will be worth 1 mark; the more accurate use of terminology will characterise candidates who get the two marks. Do not award marks for candidates who confuse this term with 'sales' and offloading stock.</p> <p style="text-align: right;"><b>2 marks</b></p>

Question Number	Indicative content
3(c)	<p>The intention is to try and encourage candidates to make use of the diagram and show changes in demand and equilibrium. There will be 1 mark for showing the increase in demand - a shift of the curve to the right, 1 mark for showing the shortage and 1 mark for showing the new price and 1 for showing the new quantity. The remaining 2 marks will be for offering some written explanation. The written explanation will reflect what the candidate has shown on the diagram and will arrive at the appropriate conclusion for what will happen to price and quantity.</p> <p>If a candidate does not use the diagram but offers an excellent written explanation of the market process, this can be rewarded with full marks. In such circumstances, there must be reference to the rise in demand and what happens to the demand curve (2) the shortage that is created and the effect of this on the market (2), the fall in price (1) and the fall in the quantity bought and sold (1).</p> <p style="text-align: right;"><b>6 marks</b></p>

Question Number	Indicative content
3(d)	<p>Externalities are the costs or benefits to a third party of an economic decision. Some candidates may refer to individuals, parties or organisations outside the firm - this is acceptable as long as it is clear what is meant and that there is some recognition that this represents the third party. Candidates who confuse this with, for example, 'a decision made by someone outside the firm' will not be rewarded.</p> <p>The example offered could refer to both positive and negative externalities. To get the full 2 marks for the example, something more than just a simple one word example such as 'pollution' is required.</p> <p>Up to 2 marks for an accurate definition of externalities and up to 2 for an appropriate developed example. If students give a definition, then go on to mention that externalities can be positive or negative and then maybe give a one word example, could also get the full 4 marks.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number	Indicative content
3(e)	<p>Possible costs might include:</p> <ul style="list-style-type: none"> <li>• People are late for work</li> <li>• Deliveries take longer</li> <li>• Fuel costs for distribution could be higher</li> <li>• Costs rise as drivers sit in lorries not going anywhere</li> <li>• Possibility of having to pay or being affected by a congestion charge</li> </ul> <p>1 mark for identifying an appropriate cost and up to 3 marks for the quality of the explanation. At the top end of the mark range the explanation will clearly demonstrate the cost to the business and be rooted in business and economics understanding using appropriate terminology. At the bottom end of the mark range, the explanation will be limited in detail and simplistic in understanding. It will not include much in the way of business and economics understanding.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number	Indicative content
3(f)	<p>Benefits might include:</p> <ul style="list-style-type: none"> <li>• Reduction in congestion on the roads</li> <li>• Increase in the speed at which journeys can be made</li> <li>• Lower costs due to fewer delays</li> <li>• Easier to get supplies to customers</li> </ul> <p>1 mark for an appropriate benefit and up to 3 marks for the quality of the explanation. As with the above question, quality development at the top end of the mark range will make the link between the scheme and the benefit to the business clear and will use appropriate business and economics terminology. At the lower end the candidate will struggle to make their point clear and will offer only a simplistic development often not much more than a few words.</p> <p style="text-align: right;"><b>4 marks</b></p>

Question Number	Indicative content
3(g)	<p>Any 2 appropriate factors will get 1 mark each. Possible responses might include:</p> <ul style="list-style-type: none"> <li>• Reduction in the price of petrol</li> <li>• Reduction in the age for the driving test</li> <li>• Increased incomes of young people</li> <li>• More people buying cars</li> <li>• Cheaper cars</li> <li>• More people of driving age</li> <li>• Increased advertising for cars which increases demand</li> <li>Reduction in the quality and quantity of public transport, or a rise in the price of transport</li> <li>• Economic growth</li> </ul> <p style="text-align: right;"><b>2 marks</b></p>

Question Number	Indicative content
3(h)	<p>The intention here is to encourage candidates to offer some evaluation. It is hoped that candidates will have to think through what the impact of the factor they have chosen will have on congestion.</p> <p>There will be 1 mark awarded for making the judgement - selecting the factor - and then up to 3 further marks for the quality of the development of the point. This is typically going to be signalled by 'More people buying cars will mean more people using the roads... (1 mark) because...' If the development is well structured and shows clear understanding of the effect on road use the candidate could score 4 marks in total. To get to 4 marks when only one effect is considered, there must be some evidence of some evaluative comment in the response.</p> <p>To get into the upper mark range (5 - 6 marks) the candidate must make some reference to <u>both</u> factors in their answer and offer at least some development of both of them. The upper mark range, therefore, will have some clear evidence of evaluative comment and may set the answer in the context of this small firm. Simple development without the clarity of understanding might only get a maximum of 3 marks at best.</p> <p style="text-align: right;"><b>6 marks</b></p>

Question Number	Indicative content
3(i)	<p data-bbox="523 275 683 309"><b>(i) Car user</b></p> <p data-bbox="619 338 1517 640">Many car users are going to see the benefits of road pricing and see the need to have to reduce congestion (they are part of the problem but may not see it) but not be happy at the prospect of having to pay for using the roads. Many might feel they already pay enough in car tax and petrol or think that they have very little alternative to using their car (which may be true in rural areas). Some people might support it if it means that the roads become less congested and they get to work or are able to carry out their work more easily.</p> <p data-bbox="1409 645 1517 678" style="text-align: right;"><b>4 marks</b></p> <p data-bbox="523 678 1007 712"><b>(ii) Member of Friends of the Earth</b></p> <p data-bbox="619 741 1517 981">It is likely that FoTE will be in favour of this scheme as it will make drivers more aware of the impact their behaviour is having on the environment. They might not think the scheme goes far enough, however. They are likely to see excessive road use as being damaging to the environment and contributing to the problem of climate change. They would be more in favour of increases in public transport and road pricing.</p> <p data-bbox="1409 985 1517 1019" style="text-align: right;"><b>4 marks</b></p> <p data-bbox="523 1019 1002 1052"><b>(iii) Business person in Manchester</b></p> <p data-bbox="619 1081 1517 1417">Business people in Manchester might have mixed views. Some will welcome the idea because it will help them get around quicker but many might see problems for them as it will raise costs. Many of their employees will be likely to have to pay the charge if they travel into Manchester to work. This might mean that businesses are under greater pressure to offer more flexible working which might not suit them. Businesses in the city centre might feel that there will be a reduction in the number of customers visiting shops and other businesses like restaurants and that this will hit their business.</p> <p data-bbox="619 1458 1517 1794">The aim is to get students to break down the different perspectives of the plans to introduce a road pricing scheme. For each group some clear understanding, rooted in business and economics, of the decision is expected. If candidates merely offer some form of general knowledge comment with little or no business and economics then they will be at the lower end of the mark range. Those at the top of the mark range will offer a well developed response in which there is clear evidence of understanding or where they offer some form of balance or evaluative comment in their answer such as the 'it depends' rule.</p> <p data-bbox="619 1798 1517 1865">1 mark for the viewpoint and up to 3 marks for the quality of the development x 3.</p> <p data-bbox="1409 1870 1517 1904" style="text-align: right;"><b>4 marks</b></p>

Question Number		Indicative content
3(j)		<p>Friends of the Earth are a pressure group. As such they are trying to influence decision making and persuade governments and businesses to make decisions they think are right. Congestion on the roads costs the economy the sums of money each year as highlighted in the evidence. As a result, it might need an organisation that is respected like FoTE to make people aware of the costs to society as a whole.</p> <p>However, the evidence suggests that some pressure groups do not always get their facts right and so this might be a cause for concern. They have to have their facts right if they are going to press for change to be made. The problem with issues like congestion is that it is difficult to know what is 'right' as there are so many arguments on both sides.</p> <p>It will be expected that most candidates will assume that they are right and that they should warn us about the impending doom that is climate change. Such a response might be worthy of 3 marks if appropriate business and economics understanding and terminology is used. To get to the higher mark level we need to be looking for evidence of some balance in the answer and evidence of evaluative comment. This might be characterised by the 'it depends' approach.</p> <p style="text-align: right;"><b>6 marks</b></p>
Level	Mark	Descriptor
Level 2	4-6	A well developed response which recognises the role of a pressure group but which offers some sort of balance to the answer. There is likely to be some form of evaluative comment made to get to the 5 - 6 mark range. The quality of written communication will be of a good standard with minimal errors in spelling, punctuation and grammar and appropriate use of terminology throughout.
Level 1	1-3	A response that explains the role of a pressure group and offers a judgement that FoTE are right to make their point. There will, however, be little or no obvious balance and, similarly, no evaluation offered. There is little by way of evaluative comment. The quality of written communication will be poor and there will be regular errors in spelling, punctuation and grammar with limited use of appropriate terminology.



