

Revision Worksheet

A2 Economics

Essay Questions

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- (a) Examine the significance of the factors which have contributed to increased globalization in recent years. **[40]**
- (b) Evaluate the likely implications for the world economy of the predicted decline in non-renewable energy resources. **[60]**

[Write your answer plan in this space before looking at the answer guide]

1.

(a) Examine the significance of the factors which have contributed to increased globalisation in recent years.

LEVEL 5

28-40 marks

Factors include:

- Reduction/removal of trade barriers; reference to WTO
- Growth in trading blocs, especially economic unions adopting a single currency
- Improvements in communications
- Growth in use of internet
- Increased significance of multinational companies
- Increased capital mobility
- Collapse of Soviet Union

Evaluation might take the following form:

- *Discussion of relative significance of points made*
- *View that globalisation is not a recent phenomenon*

For a L5 mark (28-31 marks): Discussion of 3 points and at least one evaluation point.

A Level 5* mark (32-40) should be awarded for answers which meet the Level 5 criteria convincingly e.g. 3 points with at least 2 pieces of evaluation.

Max 28 marks if no evaluation.

Award a L4 mark (24-27 marks) if only 2 factors + evaluation

Award a L2 mark (16-19 marks) for identification of points only or for narrow response focusing on one point.

(b) Evaluate the likely implications for the world economy of the predicted decline in non-renewable energy resources.

LEVEL 5

42-60 marks

Implications include:

- Increased price of energy leading to increased costs of production
- Fall in aggregate supply leading to higher rates of inflation and fall in real output
- Increased unemployment
- Implications for Balance of Payments depend on the degree of dependence on imported energy
- Search for new technology
- Reduction in External Costs

Evaluation points include:

- Price rises might be offset by more efficient use of energy or
- new methods of production requiring less energy or
- greater use of renewable energy resources
- Impact on GDP and employment depend on elasticity of AD curve
- Discussion of short run/long run effects
- Differential effects between countries

NB: If answer focuses solely on the UK economy, then award up to a max of 35 marks.

For a L5 mark (42-47 marks): Discussion of 4 points and two evaluation points (at least one benefit and at least one cost should be included).

A Level 5* mark (48-60) should be awarded for answers which meet the Level 5 criteria convincingly e.g. 4 points and at least 3 pieces of evaluation.

Max 42 marks if no evaluation.

Award a L4 mark (36-41 marks) if only 3 factors + evaluation

Award a L2 mark (24-29 marks) for identification of points only or for narrow response focusing on one point.