

SMART EXAM RESOURCES
0455/0987(9-1) IGCSE ECONOMICS
PAPER-2- MARKSCHEME

MARKSCHEME: 1

(a) What is meant by a production possibility curve? [2]

- A curve that shows the maximum output of two types of products / combination of two products (1) that can be made with given resources/technology (1) it shows opportunity cost (1)
- Allow 1 mark for some understanding shown about potential maximum output
- Allow up to 2 marks for a diagram which is explained – with correct labelling (1) and correct curve (1)

MARKSCHEME: 2

<p>Define a <i>production possibility curve</i>. A diagram showing maximum output / possible combinations (1) of two types of products / of capital and consumer goods (1) with given resources / given technology / in a given time period (1) shows opportunity cost (1).</p>	2	Nothing for a diagram,
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MARKSCHEME: 3

<p>Identify what is measured on the axes of a production possibility curve.</p> <p>(Output of) two types of product (2). Output (1) one type of product (1) another type of product (1).</p>	<p>2</p>	<p>Two types of products may be shown on the axes on a PPC diagram for two marks.</p> <p>If more than two items are given, consider the first three.</p>
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MARKSCHEME: 4

<p>Identify two places where a production point could be located on a PPC diagram.</p> <p>Two from:</p> <ul style="list-style-type: none">• point inside the curve / left of the curve• point on the curve / along the curve• point outside the curve / right of the curve	<p>2 The points may be identified on a diagram.</p> <p>Accept below the curve and above the curve.</p>
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