

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

MARKSCHEME: 1

Using a production possibility curve diagram, analyse the impact of an increase in resources on an economy. [5]

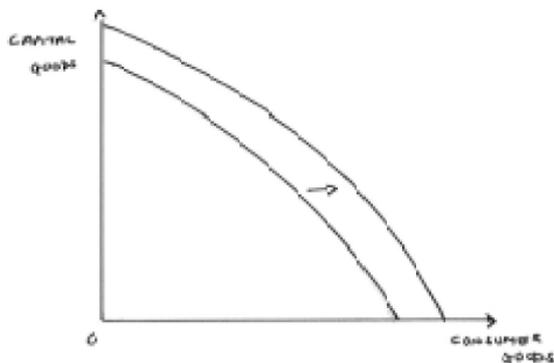
Up to 3 marks for the diagram:

1 mark for the original curve or downward sloping line which must touch the axes.

1 mark for axes correctly labelled in terms of two different products or types of products.

1 mark for showing the curve or line shifted out to the right.

Figure 2 (c)



Up to 2 marks for written analysis:

1 mark for an increase in resources moves the PPC to the right.

1 mark for more resources enables an economy to produce more of both products/increase productive potential/economic growth.

1 mark for whether output increases or not will depend on what happens to the production point.

MARKSCHEME: 2

Using a production possibility curve diagram, analyse the effect of a decrease in the supply of labour and enterprise on an economy. [5]

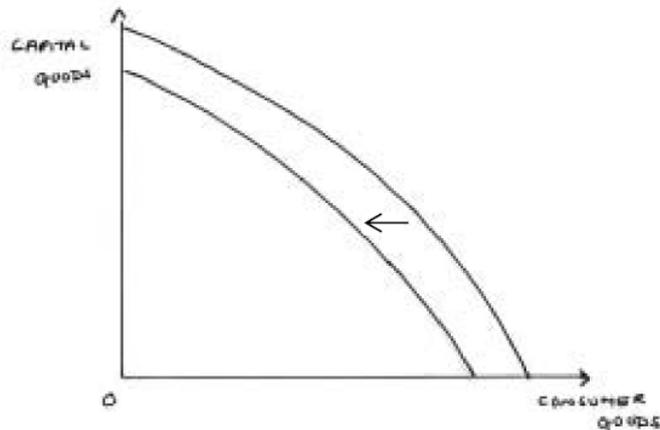


Figure 2 (c)

Up to 3 marks for the diagram:

- 1 mark for axes correctly labelled in terms of two different products or types of products.
- 1 mark for the original curve or downward sloping line.
- 1 mark for showing the curve or line shifting to the left.

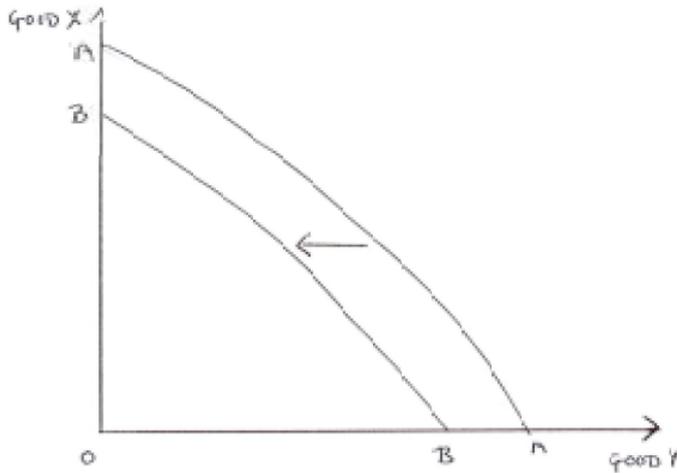
Up to two marks for written comments:

- 1 mark for fewer resources shifts the PPC to the left.
- 1 mark for fewer resources reduces the ability of an economy to produce both products/reduces productive potential/reduces GDP.

MARKSCHEME: 3

Using a production possibility curve diagram, analyse the effect of the destruction of some of its resources on an economy. [6]

Up to 4 marks for the diagram:



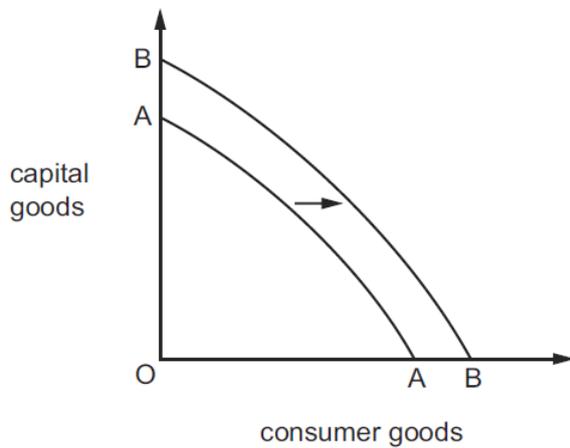
- axes correctly labelled (1)
- original curve/downward sloping line to axes (1)
- new curve present (1)
- shift to the left clearly indicated either by an arrow or by labelling (1)

Up to 2 marks for written explanation:

- the destruction of resources will reduce the maximum output a country can produce (1)
- this will move the production possibility curve to the left/closer to the origin (1)

MARKSCHEME: 4

Analyse, using a production possibility curve, the effect of advances in technology. [6]



Up to 3 marks for the diagram:

- axes correctly labelled in terms of two different products or types of products (1)
- the curve or downward sloping line drawn to the axes (1)
- the curve shifting out to the right (1).

Up to 3 marks for written comments:

- advances in technology increase the quality of capital goods (1)
- higher quality capital equipment increases productive capacity/the maximum quantity of products that can be produced (1)
- increased productive capacity results in (potential) economic growth (1)
- may affect the output of the two products differently (1) slope may change (1).

MARKSCHEME: 5

<p>Analyse, using a production possibility curve diagram, what effect net immigration is likely to have on an economy.</p> <p>Up to 4 marks for the diagram:</p> <ul style="list-style-type: none"><input type="checkbox"/> axes correctly labelled (1)<input type="checkbox"/> curve drawn, either bowed out or as a straight downward sloping line, meeting the axes (1)<input type="checkbox"/> new curve drawn (1)<input type="checkbox"/> position of the new curve to the right of the original indicated either by labelling or an arrow (1) <p>Up to 2 marks for written analysis:</p> <ul style="list-style-type: none"><input type="checkbox"/> net immigration will increase resources/labour (1)<input type="checkbox"/> more resources will increase productive potential/enable countries to produce more (1)	6	
---	----------	--