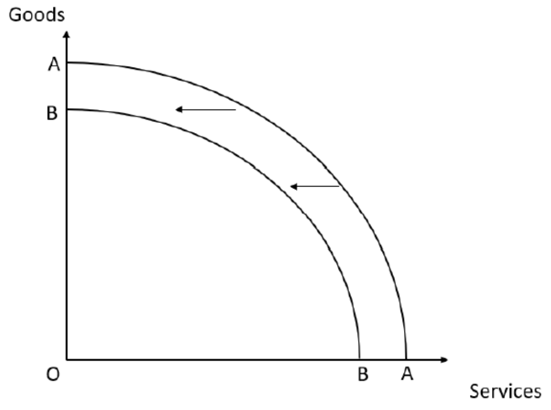
SMART EXAM RESOURCES

0455/0987(9-1) IGCSE ECONOMICS

PAPER-2- MARKSCHEME

MARKSCHEME: 1

	Analyse, using a production possibility curve (PPC) diagram, the effect of a decrease in the size of a country's labour force on its economy. Up to 4 marks for the diagram: Axes correctly labelled with different outputs (1). Initial curve drawn as a curve/line sloping downward to the axes (1). New curve drawn as a curve/line sloping downward to the axes (1). Shift to the left indicated by arrow or letters (1). Up to 2 marks for coherent analysis which might include: A decrease in the size of the labour force reduces resources / factors of production available (1) this lowers productive capacity / the maximum output that can be produced (1).	**6**	 Note to gain the marks for the curves, these must be drawn to the axes.

MARKSCHEME: 2

	Analyse, using a production possibility curve (PPC) diagram, the effect of a serious storm on an economy. **Up to 4 marks for the diagram:** Axes correctly labelled with different outputs (1). Initial curve drawn as a curve/line sloping downward to the axes (1). New curve drawn as a curve/line sloping downward to the axes (1). Shift indicated by arrow or letter (1). **Up to 2 marks for coherent analysis which might include:** A serious storm will reduce resources / reduce availability of factors of production / destroy infrastructure (1) reduce the ability to produce goods and services / reduce maximum capacity / reduce productive capacity (1). Note: both curves must touch both axes to get the marks. Note: Axes need labelling such as good X / good Y or capital goods and consumer goods. Labelling A and B is not sufficient.	**6**