GradeMax



Mark Scheme (Results)

Summer 2017

Pearson Edexcel International Advanced Level in Economics
(WEC04)
Paper 01 Developments in the Global Economy



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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

****SECTION A: ESSAYS – PLEASE USE DETAILED MARKING CRITERIA WHICH ARE TO BE FOUND AT THE END OF THIS MARKSCHEME****

FOR ALL QUESTIONS: No mark scheme can cover all possible responses. Therefore, reward analysis which is relevant to the question even if this is not specifically identified in the mark scheme.

Question Number	Answer	Mark
1 (a)	Understanding of commodities Candidates may separate causes into demand-side or supply-side factors and there may be evidence of a diagram(s) • Technological progress e.g. USA and its shale oil production • Slowdown in the rate of growth in China/Brexit uncertainty/recession in the EU/fall in the world growth rate has cut demand for all commodities • Over-investment into commodity production e.g. metals, in various parts of the world due to time lags from the commodity boom • High levels of supply due to reduction in conflict in Africa • Increasing productivity in agriculture • Saudi Arabia keeping a high oil supply • Lack of influence of OPEC; surge in non-OPEC production for oil • Efficiency gains of firms, reducing demand • More fuel efficient airplanes and cars • Tightening up of governmental regulation on pollution associated with commodity production • Strong value of the dollar, reducing demand (commodities generally priced in dollar terms) • Ending sanctions against Iran; more oil export	

	Evaluation comments could include: • SR v LR/time period – oil prices may rise again • Cyclical effects: economies will recover, thus increasing demand • Fall in current investment into new mines etc. will eventually lead to a rise in price • Commodities running out: 'peak oil' argument • Comment on why oil prices may have fallen faster than commodity prices in general • Prioritisation of causes • Significance of PED and PES in explaining the extent of the fall in price • Depends on type of commodity as some may have risen over the period e.g. gold; investors scramble for this commodity in uncertain times **NB Candidates must make reference to more than one commodity group to access Level 5**	**(15)**

Question Number	Answer	Mark
1 (b)	Effects may be either positive **or** negative Candidates may distinguish between developing countries being *exporters* of oil and those that are *importers* of oil, and discuss the following: • Effects on price level: reduction in cost-push inflation for developing countries who are net importers of oil *But reduced costs might be offset by cost rises in other parts of the economy; eg. fall in productivity* • Effects on real GDP: rising economic growth of oil importing developing countries / less export led growth for exporting developing countries *But impact of growth on importing countries may be limited by the slowdown in world growth rates* • Effects on current account / trade in goods balance, e.g. oil importing countries will see improvement in their current account *But depends on the extent of reliance of countries on exports and/or imports of oil* • Effects on government budgets of Middle Eastern oil exporters: this could lead to tax	

	rises / cutbacks in government spending *But oil producing countries may have stored up foreign exchange reserves/reliance of sovereign wealth funds* • If lower oil prices persist, they could undermine investment in new exploration or development for oil exporting countries, which would put at risk investment in some low-income developing countries • Rebalancing/structural change/diversification of oil exporting economies *But oil exporting developing countries may not have a comparative advantage in other sectors* • Effects on exchange rates – oil exporting countries with lack of diversification (e.g. Saudi Arabia) will be most at risk • Effects on the environment *But depend on the level of indirect taxes on regulation on emissions/government policy response* • Effects on real wages: rising real wages associated with slowdown of inflation *But this depends on what is happening with nominal wages in the labour market* • Effects on unemployment/employment *But depends on industrial structure of the economy* • Effects on income inequality • Deterioration in terms of trade for oil exporting developing countries and improvement in terms of trade for oil importing countries It is likely that there will be some diagrammatic AD/AS analysis *Other evaluative comments could include:* • *Prioritisation of effects* • *Magnitude of oil price fall* • *How impact may differ between different*	

	developing countries • *Depends on the importance of oil to specific countries e.g. Trinidad and Tobago rely heavily on oil and gas exports* **NB Award a maximum of 20 marks (Level 4) if a candidate does not refer to a country or countries in their response.**	**(25)**

Question Number	Answer	Mark
2 (a)	Clear understanding of a current account surplus • Appreciation of value of Yuan, reducing competitiveness *But uncertainty regarding exchange rate policy in the future, especially as capital controls fall and Yuan becomes more liquid* • Inflation in China *But uncertainty regarding anti-inflation policy* • Increasing regulation in China, increasing firms' costs e.g. on environment *But uncertainty regarding environmental policy in the future and whether China signs up for global environmental pacts* • Rising real incomes in China, raising marginal propensity to import and thus import demand • Rising land costs/rent and external diseconomies of scale • Other countries in the world increasing their relative competitiveness • Recession or slow growth in export markets such as the EU and USA • Import controls on Chinese goods and services • Rebalancing of the economy with gradual move from reliance on investment and exports towards consumption and imports *Other evaluative comments could include:*	

	• *Prioritisation of causes given – is it part of the restructuring /rebalancing of the economy as living standards increase in China* • *Uncertainty regarding Chinese economy going forward: will growth accelerate again? Is this part of a long term trend or temporary?* • *Chinese economy grown much over 2007-2014, so the absolute size of trade surplus is still large*	**(15)**

Question Number	Answer	Mark
2 (b)	• Reduction in world trade as China imports less goods and services from the rest of the world • Reduction of FDI into China • Slowdown in global inflation: gives policymakers additional flexibility to keep the monetary policy looser for longer, e.g. in the US and UK, and to add to quantitative easing, e.g. in Europe • Low inflationary pressures can trigger fears of a global deflationary spiral and debt defaults • Lower economic growth of China's main export partners that are highly dependent on Chinese demand for oil, metals, materials in its industrial centres and associated multiplier effects • Worries about China's economic strength is part of the reason for the renewed drop in oil prices - weakness in oil and other commodity prices has pushed exporting countries into deep recessions and hit their finances • Neighbours with integrated supply chains such as Japan and South Korea are deeply affected • Increased levels of emigration from China if China cannot produce sufficient employment opportunities for its population • Harder to sustain recovery from financial crisis *Evaluation comments could include:* • Prioritisation of the most important effect • Significance of the effects discussed; effects important as China rebalances itself • Depends on Chinese government policy reaction to slowdown: reference to fiscal/monetary policy • Whether China joins a trading bloc • Chinese slowdown is not important as another country may become the largest contributor to global economic growth over next few years • SR/LR effects - slowdown may be short-lived and growth will rebound soon • Depends on the reactions of rest of the world; different countries will have different impacts • Few countries have avoided impact of slowdown	

	by reducing their reliance to commodities, and through diversifying their portfolio globally **NB Award a maximum of 20 marks (Level 4) if a candidate does not refer to the global economy in their response.**	**(25)**

Question Number	Answer	
3 (a)	Candidates may refer to the impact in the EU **and/or** to 'origin' countries • Effects on labour market: rise in competition, reduction of wages; there may be a labour market diagram here • Reduction in skills shortages and production bottlenecks • Reduction in voluntary unemployment / increase in filling of job vacancies • Increase in competitiveness of exports • Increase in economic growth; increase in LRAS: lower price level and higher real output • Rise in tax receipts for the government and an improvement in government finances • Pressure on infrastructure: housing, health and education systems • Pressure on social security/benefit systems • External costs e.g. crime/racial tension • Rise in unemployment of domestic workers • Impact on origin countries e.g. brain drain, loss of work force, loss of tax revenue Candidates may offer some diagrammatic AD/AS analysis *Evaluation comments could include:* • *Depends on whether migrants find jobs or remain economically inactive or unemployed* • *Depends on the skills of the migrants* • *Depends on net migration figures (have to take account of emigration)* • *SR/LR effects e.g. LR rise in employment* • *Depends which countries the migrants end up* • *Depends on reason for migration – is it for economic or political reasons?* • *Depends on policy of the EU towards immigrants in the future e.g. benefit freezes* • *Depends on whether the migration flow into EU is permanent or temporary* • *Impact on wages depends on whether migrants are skilled or non-skilled or non-working* **NB Candidates must make reference to EU and non-EU countries to access Level 5**	**(15)**

Question	Answer	Mark

Number		
3 (b)	Government-led strategies include: • Development of human capital • Improvements in education • Training and apprenticeships • Infrastructure development • Protectionist policies • Promoting joint ventures with TNC's • Managed exchange rates Candidates may also offer diagrammatic AD/AS analysis to support their answer/arguments *Evaluation comments could include:* • *Assessment of the significance of the policies considered in analysis* • *Prioritisation of the points made that are supported by reasoned arguments* • *Problems of each of the policies discussed* • *Contrast on the effectiveness of policy given between different members of the eurozone* • *Different countries have different impacts of the policies they implement on growth* • *Cost to EU government in terms of worsening fiscal deficits and national debt – at least in the short term* • *Restrictions on the use of certain measures due to eurozone rules - for e.g. use of government subsidies for specific industries in a country* • *Monetary policy measures may have role to play which are outside direct control of government / influences availability of credit and exchange rate of euro* **NB Award maximum of 20 marks (Level 4) if candidates do not refer to eurozone countries in their response**	**(25)**

Section A Part (a) Questions: Performance Criteria for Mark base 15		
Level 0	0	• No rewardable material
Level 1	1-3	• Displays knowledge presented as facts without awareness of other viewpoints • Demonstrates limited understanding with little or no analysis • Attempts at selecting and applying different economic ideas are unsuccessful • Material presented is often irrelevant and lacks organisation. Frequent punctuation and/or grammar errors are likely to be present and the writing is generally unclear.
Level 2	4-6	• Displays elementary knowledge of well learnt economic facts showing a generalised understanding together with limited analysis i.e. identification of points or a very limited discussion • Displays a limited ability to select and apply different economic ideas • Material presented has a basic relevance but lacks organisation, but is generally comprehensible. Frequent punctuation and/or grammar errors are likely to be present which affects the clarity and coherence of the writing overall.
Level 3	7-9	• Displays knowledge and understanding of economic principles, concepts and theories as well as some analysis of issues i.e. answer might lack sufficient breadth and depth to be worthy of a higher mark • Shows some ability to apply economic ideas and relate them to economic problems • Employs different approaches to reach conclusions • Material is presented with some relevance but there are likely to be passages which lack proper organisation. Punctuation and/or grammar errors are likely to be present which affect the clarity and coherence.
Level 4	10-12	• Displays a good knowledge of economic principles, concepts and theories together with an analysis of the issues involved • Demonstrates an ability to select and apply economic ideas and to relate them to economic problems • Evidence of some evaluation of alternative approaches leading to conclusions • Material is presented in a generally relevant and logical way, but this may not be sustained throughout. Some punctuation and/or grammar errors may be found which cause some passages to lack clarity or coherence.
Level 5	13-15	• Displays a wide range of knowledge of economic principles, concepts and theories together with a rigorous analysis of issues • Demonstrates an outstanding ability to select and apply economic ideas to economic problems • Evaluation is well balanced and critical leading to valid conclusions • Material is presented in a relevant and logical way. Some punctuation and/or grammar errors may be found, but the writing is clear and coherent overall.

Section A Part (b) Questions: Performance Criteria for Mark base 25		
Level 0	0	• No rewardable material
Level 1	1-5	• Displays knowledge presented as facts without awareness of other viewpoints • Demonstrates limited understanding with little or no analysis • Attempts at selecting and applying different economic ideas are unsuccessful • Material presented is often irrelevant and lacks organisation. Frequent punctuation and/or grammar errors are likely to be present and the writing is generally unclear.
Level 2	6-10	• Displays elementary knowledge of well learnt economic facts showing a generalised understanding together with limited analysis i.e. identification of points or a very limited discussion • Displays a limited ability to select and apply different economic ideas • Material presented has a basic relevance but lacks organisation, but is generally comprehensible. Frequent punctuation and/or grammar errors are likely to be present which affects the clarity and coherence of the writing overall.
Level 3	11-15	• Displays knowledge and understanding of economic principles, concepts and theories as well as some analysis of issues i.e. answer might lack sufficient breadth and depth to be worthy of a higher mark • Shows some ability to apply economic ideas and relate them to economic problems • Employs different approaches to reach conclusions • Material is presented with some relevance but there are likely to be passages which lack proper organisation. Punctuation and/or grammar errors are likely to be present which affect the clarity and coherence.
Level 4	16-20	• Displays a good knowledge of economic principles, concepts and theories together with an analysis of the issues involved • Demonstrates an ability to select and apply economic ideas and to relate them to economic problems • Evidence of some evaluation of alternative approaches leading to conclusions • Material is presented in a generally relevant and logical way, but this may not be sustained throughout. Some punctuation and/or grammar errors may be found which cause some passages to lack clarity or coherence.
Level 5	21-25	• Displays a wide range of knowledge of economic principles, concepts and theories together with a rigorous analysis of issues • Demonstrates an outstanding ability to select and apply economic ideas to economic problems • Evaluation is well balanced and critical leading to valid conclusions • Material is presented in a relevant and logical way. Some punctuation and/or grammar errors may be found, but the writing is clear and coherent overall.

Question Number	Answer	Mark
4(a)	Knowledge: • Disinflation: a fall in the rate of inflation **or** a rise in the general price level at a diminishing/ declining rate **or** the annual percentage change in CPI is positive but falling (1) • Deflation: a negative rate of inflation **or** a fall in the general price level **or** the annual percentage change in CPI is negative (1) Application (1 + 1): For e.g. • There was disinflation from the start of 2012 to 2015 / Reference to numeric example from Figure 1 (1) • There was deflation in 2015 / Reference to numeric example from Figure 1 (1) 2 marks for knowledge; 2 marks for application / data references	**(4)**

Level	Marks	Descriptor
Level 1	1-2	Up to 2 marks for knowledge or up to 2 marks for application
Level 2	3-4	Up to 2marks for knowledge and/or up to 2 marks for application

Question Number	Answer	Mark
4 (b)	**Knowledge and analysis of 2 reasons (up to 6 –2 reasons x 3 marks each):** Identification of reason (1)+development (up to 2): • Higher interest rates in Switzerland than the eurozone • Higher inflation in eurozone than Switzerland • Higher economic growth in Switzerland than the eurozone • Increase in the competitiveness of Switzerland against the eurozone • Current account surplus in Switzerland or current account deficit in the eurozone • Loss of confidence in the eurozone economies due to austerity measures • Increased demand for Swiss assets / buying as a safe haven against turmoil in EU and global markets (speculative demand) **One application from Figure 2 or Extract 1**: For e.g.	

	Value of the franc at just over €0.66 at the start of 2010 (1) Value of the franc at just over €0.80 at the end of 2010 (1) Any two figures in 2010	**(8)**

Question Number		Mark
4 (c)		**(12)**
Knowledge, application and analysis – indicative content		
	Effects may be positive or negative, could include: • Loss of export competitiveness of Switzerland • Lower profits for Swiss firms • Lower import prices, leading to reduced levels of inflation/disinflation, or even deflation • Current account deficit • Slower growth of real GDP • Higher unemployment/lower employment • Tourism is likely to decline • Impact of foreign investment in Swiss assets "The Swiss franc rose by almost 30%"	

Level	Marks	Descriptor
0	0	A completely inaccurate response.
1	1-3	Shows some awareness of likely effects for the Swiss economy of its currency appreciation against the euro, but there is limited explanation. Material presented is often irrelevant and lacks organisation. Frequent punctuation and/or grammar errors are likely to be present and the writing is unclear.
2	4-6	Understanding and explanation of the likely effects for the Swiss economy of its currency appreciation against euro. Material is presented with some relevance but there are likely to be passages which lack proper organisation. Punctuation and/or grammar errors are likely to be present which affect the clarity and coherence.
3	7-8	Clear understanding and explanation of the likely effects for the Swiss economy of its currency appreciation against the euro and there is application to context throughout. Material is presented in a relevant and logical way. Some punctuation and/or grammar errors may be found, but the writing is clear and coherent overall.

Evaluation – indicative content	
• Effect depends on other variables in AD/AS • Significant of Swiss exports to eurozone • PED for exports • Reference to Marshall-Lerner condition • Figure 2 indicates a depreciation in swiss franc in 2015 – depends on whether his is part of a trend	

Level	Marks	Descriptor
0	0	No evaluative comments.
1	1-2	For identifying evaluative comments without explanation/ one evaluative comment with explanation.
2	3-4	For evaluative comments supported by relevant reasoning.

Question Number		Mark
4 (d)		**(16)**
Knowledge, application and analysis – indicative content		
	Analysis may focus on positive and negative effects • Switzerland has negotiated 120 treaties in areas of free movements – no major benefit of joining • There will be no impact on prices; there will be no rise in its comparative advantage; there will be no trade creation – as there is already effectively free trade • Trade diversion may occur – distortion of its comparative advantage • May be pressure on Swiss infrastructure (e.g. housing, schools, hospitals) if there is a large scale immigration • No control over immigration; will not be able to limit "free movement of labour into Switzerland will as a result of a referendum on immigration" • Possible environmental impacts • Firms may not be able to compete with low cost economies and powerful TNCs • My further raise FDI due to being part of the EU • As part of the EU, Switzerland will have a much greater input into world trade negotiations / EU law making • Will increase Switzerland's competitiveness again in the world economy • Could become a member of the eurozone with the related benefits that this may bring	

Level	Marks	Descriptor
0	0	A completely inaccurate response.
1	1-3	Shows some awareness of the effects of Switzerland joining the EU with limited explanation. Material presented is irrelevant and lacks organisation.

		Frequent punctuation and/or grammar errors are likely to be present and the writing is generally unclear.
2	4-6	Understanding and explanation of the effects of Switzerland joining the EU. Material is presented with some relevance but there are likely to be passages which lack proper organisation. Punctuation and/or grammar errors are likely to be present which affect the clarity and coherence.
3	7-8	Clear understanding and explanation of the effects of Switzerland joining the EU with appropriate application to context throughout. Material is presented in a relevant and logical way. Some punctuation and/or grammar errors may be found, but the writing is clear and coherent overall.

Evaluation – indicative content		
	• Prioritisation of effects • A critical view of the effect that has been analysed • Candidates may conclude that there is a weak case for joining the EU, so Switzerland is better off staying out of the EU • May be only a few extra benefits but there will be costs of joining; issue of net contributions to the EU budget • **Candidates may take either perspective as analysis and use the reverse arguments for evaluation i.e. they may outline benefits to Swiss economy of joining EU as analysis and argue costs of joining in evaluation**	

Level	Marks	Descriptor
0	0	No evaluative comments.
1	1-3	For identifying evaluative comments without explanation / one evaluative comment with explanation.
2	4-6	For evaluative comments with limited explanations.
3	7-8	For evaluative comments supported by relevant reasoning.

Question Number	Answer	Mark
5(a)	Knowledge: • To provide finance for development (1) • To end absolute poverty by 2030 (1) • To increase the incomes of the bottom 40 percent of population. (1) • Other World Bank roles / objectives from own knowledge (1+1) Application (1 + 1): For e.g. • Global poverty to fall below 10% (1) • Reduction in absolute poverty from 12.8% of the world population in 2012 (1) to 9.6% in 2015 (1) • Poverty line of $1.90/day (or $1.25/day) (1) • Global poverty to fall from 902 million people (1) to 702 million people (1) • Allow relevant example from own knowledge (1) 2 marks for knowledge; 2 marks for application / data references	**(4)**

Level	Marks	Descriptor
Level 1	1-2	Up to 2 marks for knowledge or up to 2 marks for application
Level 2	3-4	Up to 2marks for knowledge and/or up to 2 marks for application

Question Number	Answer	Mark
5 (b)	**Knowledge and analysis of 2 reasons (up to 6 –2 reasons x 3 marks each):** Identification of reason (1) + development (up to 2): Likely causes could include: • Large families • Unemployment and low skills • Low levels of out-of-work benefits e.g. unemployment benefits, pensions • Government austerity programmes • Increased migration leading to low wages **One application from Extract 1**: For e.g. "In half of the EU's 28 member states, at least one in three children live in relative poverty" (2)	**(8)**

Question Number	Answer	Mark
5 (c)		**(12)**
Knowledge, application and analysis – indicative content		
	Possible reasons could include: Sub- Saharan Africa • Poor execution of government policies in SSA e.g. fiscal policy/supply side policy • Lack of exploitation of natural resource endowments which can be exploited • Low levels of foreign aid • Lack of membership of trading blocs and low degrees of openness to trade and hence reduction in trade barriers • War/conflict/political instability • High levels of population growth • Natural disasters • Low levels of FDI • Primary product dependency and falling commodity prices East Asia • Successful application of supply side policy • High levels of education • Industrialisation • Membership of trading blocs and hence high degree of openness to trade and high FDI • Political stability and less conflicts • Lower levels of population growth	

Level	Marks	Descriptor
0	0	A completely inaccurate response.
1	1-3	Shows some awareness of reasons why absolute poverty has decreased more rapidly in East Asia than in Sub-Saharan Africa. Material presented is often irrelevant and lacks organisation. Frequent punctuation and/or grammar errors are likely to be present and the writing is generally unclear.
2	4-6	Understanding and explanation of reasons why absolute poverty has decreased more rapidly in East Asia than in Sub-Saharan Africa. Material is presented with some relevance but there are likely to be passages which lack proper organisation. Punctuation and/or grammar errors are likely to be present which affect the clarity and coherence.
3	7-8	Clear understanding and explanation reasons why absolute poverty has decreased more rapidly in East Asia than in Sub-Saharan Africa. Material presented in a relevant and logical way. Some punctuation and/or grammar errors may be found, but the writing is clear and coherent overall.
Evaluation – indicative content		

	• Prioritisation of reasons • A critical view of the reason that has been analysed • SR/LR arguments: when commodity prices start rising again, then poverty will decline in SSA • Some discussion of relative vs absolute poverty in Sub-Saharan Africa • Reduction in conflict in Africa in the future, allowing institutions to stabilise, which will encourage growth in the long run thus reducing poverty. • Growth in East Asia has been slowing which could lead to slower reductions (or even rises) in absolute poverty in the future • Significant differences in poverty reduction between individual countries in East Asia and Sub-Saharan Africa	

Level	Marks	Descriptor
0	0	No evaluative comments.
1	1-2	For identifying evaluative comments without explanation/ one evaluative comment with explanation.
2	3-4	For evaluative comments supported by relevant reasoning.

Question Number	Answer	Mark
5 (d)		**(16)**
Knowledge, application and analysis – indicative content		
	Understanding of economic development and foreign aid • Aid allows governments to invest in healthcare facilities which will reduce child mortality and increase life expectancy and therefore HDI • Aid allows governments to invest in education, increasing levels of human capital by increasing mean years of schooling (therefore HDI), which means that citizens are able to improve their employability • Aid can be invested into infrastructure, for e.g. ports, roads, railways as a means of promoting economic growth • Aid can be invested into improving water supplies, sewerage systems, and energy consumption • Aid may be used to facilitate a reduction in absolute poverty and inequality • Aid may be used to invest in technology, hence improving access to internet and mobile phones • Aid can be used to fill the savings gap • Aid can be used to fill the foreign exchange gap	

Level	Marks	Descriptor
0	0	A completely inaccurate response.
1	1-3	Shows some awareness of how aid may increase the level of economic development with limited explanation. Material presented is often irrelevant and lacks organisation. Frequent punctuation and/or grammar errors are likely to be present and the writing is generally unclear.
2	4-6	Understanding and explanation of how aid may increase the level of economic development. Material is presented with some relevance but there are likely to be passages which lack proper organisation. Punctuation and/or grammar errors are likely to be present which affect the clarity and coherence.
3	7-8	Clear understanding and explanation of how aid may increase the level of economic development with

		appropriate application to context throughout. Material is presented in a relevant and logical way. Some punctuation and/or grammar errors may be found, but the writing is clear and coherent overall.

Evaluation – indicative content		
	• Corruption issues • Dependency culture • Aid may be wasted on prestige projects with little or no gain for citizens • Aid may build schools and hospitals but is there sufficient trained staff for them to function in the long run • Inefficient allocation of resources : distorts market forces • Ongoing maintenance of infrastructure taking resources away from health and education • Tied aid may mean that the impact on development is limited • Dependency theory – reinforces dominance of developed economies over developing economies **Candidates may reverse arguments, suggesting that aid does not increase development as part of their analysis. In evaluation, they may also suggest that other methods are superior to aid in terms of improving development**	

Level	Marks	Descriptor
0	0	No evaluative comments.
1	1-3	For identifying evaluative comments without explanation / one evaluative comment with explanation.
2	4-6	For evaluative comments with limited explanations.
3	7-8	For evaluative comments supported by relevant reasoning.

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