Pearson

Mark Scheme (Results)

October 2025

International Advanced Level in Economics
WEC11/01A

Unit 1: Markets in action

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General Marking Guidance

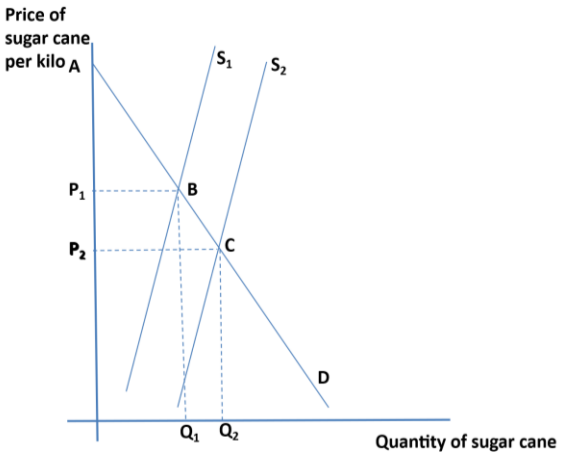
- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should 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

Question	Quantitative skills assessed	Answer	Mark
1	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is B** **A** is not correct because resources are finite **C** is not correct because wants are unlimited and resources are finite **D** is not correct because wants are unlimited	**(1)**
2	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is C** **A** is not correct because this is a private benefit **B** is not correct because this is a private benefit **D** is not correct because this is a private cost	**(1)**
3	**QS8**: Make calculations of elasticity and interpret the result **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is B** **A** is not correct because demand for luxury cars is price elastic **C** is not correct because demand for smartphones is unitary elastic **D** is not correct because the PED for electricity is more price elastic than the PED for bread	**(1)**

Question	Quantitative skills assessed	Answer	Mark
4	**QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is D** **A** is not correct because this is most likely to reduce the demand for electric cars **B** is not correct because this is most likely to reduce the demand for electric cars **C** is not correct because this is most likely to reduce the demand for electric cars	**(1)**
5	**QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is C** **A** is not correct because this movement would result in a decrease in unemployment **B** is not correct because this movement would mean that fewer consumer goods would be produced **D** is not correct because point H is unattainable	**(1)**
6	**QS4**: Construct and interpret a range of standard graphical forms **QS8**: Make calculations of elasticity and interpret the result **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is A** **B** is not correct because the diagram shows a negative relationship between income and demand **C** is not correct because the diagram shows a negative relationship between income and demand **D** is not correct because the diagram shows a negative relationship between income and demand	**(1)**

Section B

Question	The Government of the Philippines provides subsidies to sugarcane farmers. Draw a diagram to illustrate the impact of this subsidy on the market for sugarcane. Identify the increase in consumer surplus on your diagram. **Answer**	Mark
7	**Knowledge 1, Application 3** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** 1 mark for showing knowledge on the diagram ● Original supply, demand and equilibrium price and quantity labelled **(1)** **Application** Up to 3 marks for the following information included on the diagram: ● Correct shift of supply to the right **(1)** ● New equilibrium price and quantity **(1)** ● Area showing increase in consumer surplus **P_1BCP_2 (1) OR** correct identification of original **and** new consumer surplus **ABP_1** to **ACP_2 (1)**  **NB** Also allow a pivot of the supply curve.	**(4)**

Question	In October 2024, 475 000 consumers switched energy suppliers in the UK as they searched for the best energy deals. This was a 76% increase compared to October 2023.However, 15% of UK consumers have never switched energy suppliers. With reference to the above information, explain the difference between rational behaviour and habitual behaviour. **Answer**	**Mark**
8	**Knowledge 2, Application 2** **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** 1 mark for definition of rational behaviour e.g.: ● Consumers switch to maximise utility **(1K)** 1 mark for definition of habitual behaviour e.g. ● Consumers do not switch because they repeat their decision-making actions / remain loyal to a business / inertia **(1K)** **Application** 1 mark for applying rational behaviour to stem e.g.: ● The 475 000 consumers switched energy suppliers in October 2024 showed rational behaviour **(1AP)** 1 mark for applying habitual behaviour to stem e.g.: ● 15% of consumers have never switched energy suppliers demonstrating habitual behaviour **(1AP)**	**(4)**

<table>
<tr><th>Question</th><th></th><th>Mark</th></tr>
<tr><td></td><td>
<table>
<tr><td>Country</td><td>External cost of pollution per capita ($)</td></tr>
<tr><td>Germany</td><td>950</td></tr>
<tr><td>USA</td><td>1200</td></tr>
<tr><td>South Africa</td><td>1300</td></tr>
<tr><td>Brazil</td><td>1500</td></tr>
</table>
With reference to the table, explain one reason why the external costs of pollution might be different between these countries.

Answer
</td><td></td></tr>
<tr><td>9</td><td>
Knowledge 1, Application 1 Analysis 2
Quantitative skills assessed:
QS9: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.
Knowledge
1 mark for definition of external costs:
● Negative impact on third parties/where social costs exceed private costs (1)
Application
1 mark for reference to data:
● External cost of pollution per capita:
USA $1 200/Germany $950/Brazil $1 500/
South Africa $1 300 (1)
Analysis
Up to 2 marks for linked analysis e.g.:
● Greater use of green energy in Germany than in South Africa (1) so less use of fossil fuels (1)
● Higher income/GDP in USA than in South Africa (1) so greater ability to spend more on home/business insulation (1)
</td><td>(4)</td></tr>
</table>

	• Higher indirect taxes in Germany than in Brazil **(1)** reducing supply from polluting firms in Germany **(1)** • EU tradable pollution permit scheme **(1)** reducing the production of carbon emissions in Germany **(1)** • Higher government subsidies to promote the use of green energy/electric cars in USA than in Brazil **(1)** so more incentive for consumers and businesses to use green energy/buy electric cars **(1)** • Difference in government policies to combat pollution **(1)** help disincentivise firms/ individuals from polluting **(1)** • Stricter environmental regulations **(1)** reducing the production of carbon emissions in Germany **(1)**	

<table>
<tr><th>Question</th><td>Using the data in the table, calculate the new equilibrium price for t-shirts after the advertising campaign and the increase in productivity. You may wish to use the last columns in the table to show your workings.

Answer</td><th>Mark</th></tr>
<tr><td>10</td><td>
Knowledge 1, Application 3
Quantitative skills assessed:
QS9: Interpret, apply and analyse information in written, graphical, tabular and numerical forms
Knowledge
1 mark for definition of equilibrium price
• The price at which the quantity demanded is equal to the quantity supplied (1)

<table>
<tr><th>Price per t-shirt (rupees)</th><th>Original quantity demanded</th><th>Original quantity supplied</th><th>New quantity demanded</th><th>New quantity supplied</th></tr>
<tr><td>₹300</td><td>7 000</td><td>1 500</td><td>8 000</td><td>2 000</td></tr>
<tr><td>₹325</td><td>6 000</td><td>2 500</td><td>7 000</td><td>3 000</td></tr>
<tr><td>₹350</td><td>5 000</td><td>3 500</td><td>6 000</td><td>4 000</td></tr>
<tr><td>₹375</td><td>4 000</td><td>4 500</td><td>5 000</td><td>5 000</td></tr>
<tr><td>₹400</td><td>3 000</td><td>5 500</td><td>4 000</td><td>6 000</td></tr>
</table>
Application
Up to 3 marks for calculations:
1 mark for correct calculation of new quantity demanded at two or more prices.
1 mark for correct calculation of new quantity supplied at two or more prices.
1 mark for identifying new equilibrium price of ₹375

Award 4 marks if correct answer (new equilibrium price of ₹375 / 375 Rupees) is given.
Award 3 marks if 375 without units is given
</td><td>(4)</td></tr>
</table>

<table>
<tr><th>Question</th><th>Explain how the above table may be used to illustrate the concept of diminishing marginal utility. You may wish to use the last column in the table to show your workings.

Answer</th><th>Mark</th></tr>
<tr><td>11</td><td>
Knowledge 1, Application 1, Analysis 2
Quantitative skills assessed:
QS4: Construct and interpret a range of standard graphical forms
QS9: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.

Knowledge
1 mark for definition of diminishing marginal utility
● As consumption increases the total utility gained grows at a slower rate / As successive units of a product are consumed the additional utility (satisfaction) gained from each successive unit decreases / where the marginal utility falls as consumption increases (1)

Application
1 mark for two accurate calculations of marginal utility (1)

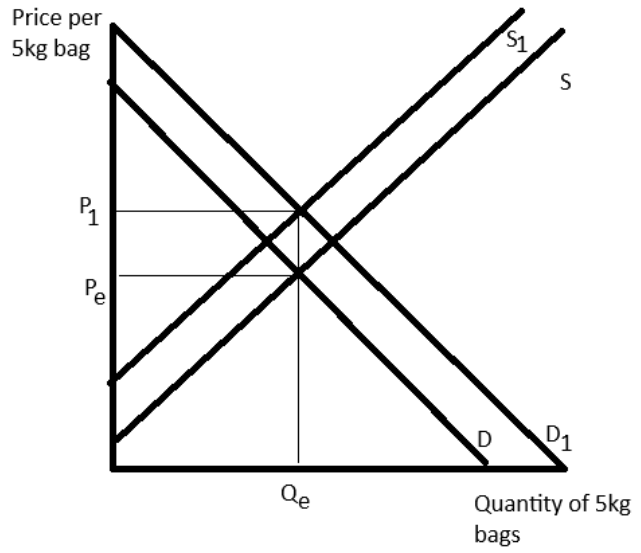
<table>
<tr><th>Vegan protein bars</th><th>Total utility</th><th>Marginal utility</th></tr>
<tr><td>0</td><td>0</td><td>-</td></tr>
<tr><td>1</td><td>15</td><td>15</td></tr>
<tr><td>2</td><td>29</td><td>14</td></tr>
<tr><td>3</td><td>40</td><td>11</td></tr>
<tr><td>4</td><td>46</td><td>6</td></tr>
<tr><td>5</td><td>46</td><td>0</td></tr>
</table>
Analysis
Up to 2 marks for explanation:
● Diminishing marginal utility sets in with the consumption of the 2nd bar (1)
● When additional bars are consumed MU continues to fall / with the consumption of the 4th bar Sheena will be satiated (1)
</td><td>(4)</td></tr>
</table>

Section C

Question	With reference to Extract A, explain what is meant by 'excess demand'. **Answer**	Mark
12 (a)	**Knowledge 2** **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. Up to 2 marks for understanding of excess demand e.g. ● A price at which quantity demanded is greater than quantity supplied **(1+1) /** QD > QS **(1+1)** ● Excess demand means there is a shortage **(1)** ● Demand and supply diagram showing QD>QS **(1)** and the excess demand labelled **(1)** If definition not awarded award a maximum of 1 mark for reference to Extract A: ● The Nankai Trough earthquake alert in August 2024 caused stockpiling by restaurants and consumers **(1)**	**(2)**

Question	With reference to the last paragraph of Extract A, explain the difference between elastic supply and inelastic supply. **Answer**	Mark
12 (b)	**Knowledge 2, Application 2** Quantitative skills assessed: **QS8:** Make calculations of elasticity and interpret the result **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge** 1 mark for understanding of elastic supply e.g.: ● Where a change in price results in a more than proportionate change in quantity supplied/value of PES>1 / Labelled diagram showing a price elastic supply curve **(1)** 1 mark for understanding of inelastic supply e.g.: ● Where a change in price results in a less than proportionate change in quantity supplied/value of PES between 0 and 1/ Labelled diagram showing a price inelastic supply curve **(1)** **Application** 1 mark for application to price elastic: ● The Government holds stocks of rice to prevent large price fluctuations **(1)** 1 mark for application to price inelastic: ● Production of rice cannot be adjusted overnight **(1)** ● It takes months of planning and is heavily influenced by seasonal conditions, land use, and water management **(1)**	**(4)**

Question	With reference to Figure 1 and Extract A, analyse one demand factor **and** one supply factor that explain why the price of rice increased between January 2024 and April 2025. Illustrate your answer with a supply and demand diagram. **Answer**	Mark
12 (c)	**QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge 2 Application 2 Analysis 2** **Knowledge** Up to 2 marks for the diagram showing: ● Original supply, demand and equilibrium price and quantity **(1)** ● New equilibrium quantity and increased price having shifted both demand **and** supply curves correctly **(1)** **Analysis** 1 mark for **one** demand factor from Extract A: ● Demand increased by 110 000 tons to 7.02 million tons for the first time in 10 years between June 2023 and June 2024 / Higher demand as a result of the increased consumption of rice by foreign visitors to Japan / Stockpiling over concerns raised by the Nankai Trough earthquake **(1)** 1 mark for **one** supply factor from Extract A: ● High temperatures in 2023 reduced the quality and quantity of rice produced **(1)** **Application** Up to 2 marks for diagram or for reference to Figure 1: ● Demand curve shifts to the right **(1)** ● Supply curve shifts to the left **(1)** ● The price of rice increased from ¥2 168 in January 2024 to ¥4 543 in April 2025 per 5kg bag **(1)**	**(6)**

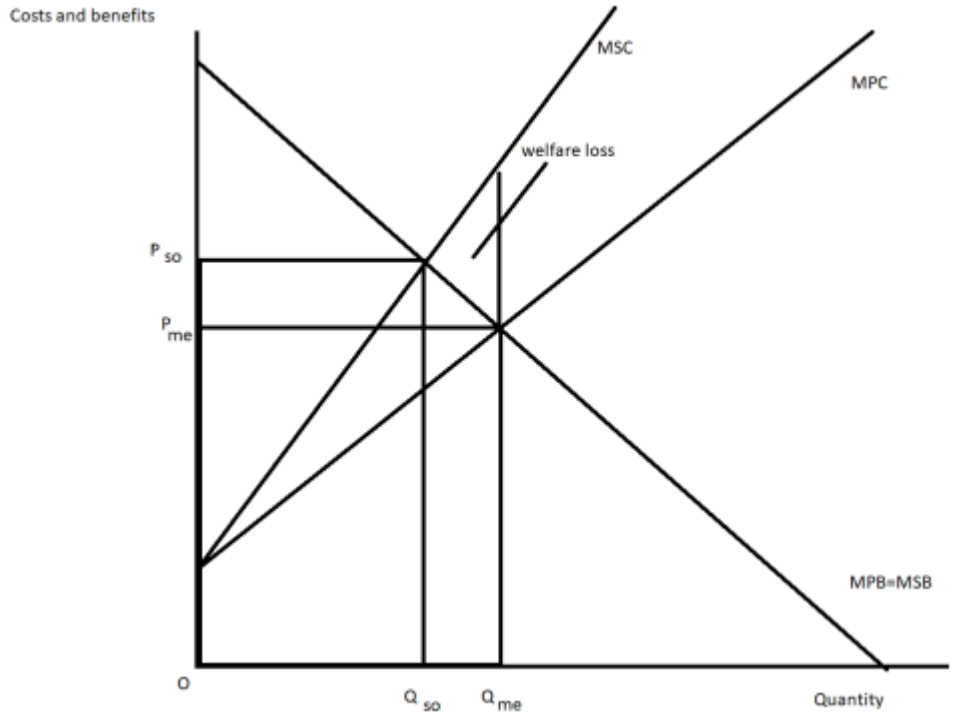


NB the quantity may rise or fall depending on the size of shifts in quantity and supply

Question	With reference to Figure 2 and Extract B, examine **two** factors that might cause a shortage of rice in Japan in the future. **Answer**	Mark
12(d)	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms **Knowledge 2, Application 2, Analysis 2, Evaluation 2** **Knowledge and Analysis** Up to 2 marks for identifying two factors and up to 2 marks for linked development, e.g.: ● Less land devoted to rice production **(1K)** reducing the size of harvest in the future **(1AN)** ● Fewer rice farmers **(1K)** resulting in lower levels of rice production **(1AN)** ● Ageing of remaining rice farmers **(1K)** more reaching retirement age and leaving the market **(1AN)** ● Climate change **(1K)** resulting in a fall in productivity / production **(1AN)** **Application** 1 mark for application to Figure 2 e.g. ● Land used to produce rice fell from 2 million hectares in 2000 to 1.5 million hectares in 2023/ 25% fall in land used for rice production / fell year on year between 2000 to 2023 1 mark for application to Extract B e.g.: ● There was a 25% decline in the number of rice farmers between 2015 and 2020 / only 11.3% of rice farms are operated by farmers who are under the age of 50 / in some years heatwaves have delayed growth, reduced yields, and even destroyed entire harvests	**(8)**

	Evaluation Up to 2 marks for evaluative comments (2+0 or 1+1), e.g.: ● Shortage of rice might be temporary e.g. it could be supplemented by imports/higher prices may attract more farmers into the rice industry **(1+1)** ● Shortage might disappear if consumption declines e.g. as a result of rising incomes/changing tastes **(1+1)** ● Government intervention e.g. subsidies for rice farmers might result in an increase in supply in the future **(1+1)** ● Use of new technology/machines on the farms might enable rice production to be increased with fewer farmers **(1 + 1)**	

Question	With reference to Extract C, discuss the external costs associated with the production of rice. Illustrate your answer with an externalities diagram. **Indicative content**
12(e)	**Indicative content guidance** Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited. **Quantitative skills assessed** **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. **Knowledge, Application and Analysis (8 marks) – indicative content** Definition of external costs: costs imposed on third parties who are not part of the transaction/where MSC>PMC External costs: ● Water scarcity: to produce one kilo of rice requires an average 2 500 litres of water / rice production uses over a third of the world's irrigated water**.** Water companies may have to spend more to supply resulting in higher prices of water for households and businesses ● Climate change: rice production increases the emission of methane – globally it accounts for 10% of total methane emissions. This might have adverse health effects on the local population ● Methane emissions might cause an increase in droughts/flooding so reducing output. This is likely to mean that consumers of rice will face higher prices and lower consumer surplus ● Higher temperatures may cause a reduction in the nutritional value of rice, causing an undesirable impact on the health of consumers. This might mean that they have to spend more on healthcare



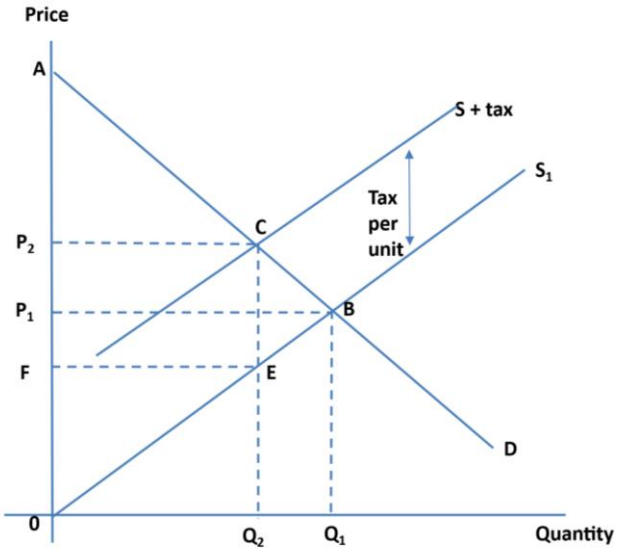
- Diagram showing MSC above MPC
- Q_{me} above Q_{so} shows overproduction
- P_{me} below P_{so} shows price paid is below social optimum
- Welfare loss triangle due to third-party impacts

NB maximum of Level 2 if no appropriate diagram is included

G	Mark	Descriptor
	0	No rewardable material
Level 1	1–3	Displays isolated, superficial or imprecise knowledge and understanding of economic terms, principles, concepts, theories and models. Use of generic material or irrelevant information or inappropriate examples. Descriptive approach, which has no chains of reasoning.
Level 2	4–6	Displays elements of knowledge and understanding of economic terms, principles, concepts, theories and models. Ability to apply knowledge and understanding to some elements of the question. Some evidence and contextual references are evident in the answer. Chains of reasoning in terms of cause and/or consequence are evident but they may not be developed fully or some stages are omitted.

Level 3	7–8	Demonstrates accurate and precise knowledge and understanding of economic terms, principles, concepts, theories and models. Ability to link knowledge and understanding in context using relevant examples which are fully integrated to address the broad elements of the question. Analysis is clear, coherent, relevant and focused. The answer demonstrates logical and multi-stage chains of reasoning in terms of cause and/or consequence.
	Evaluation (6 marks) – indicative content ● Magnitude: the impact of rice production is significant e.g. One kilo of rice needs an average 2 500 litres of water ● Long-term impact of rice production in terms of climate change – might be irreversible ● New methods of production are reducing the amount of water needed to produce rice ● New methods of production are also reducing greenhouse gas emissions ● Changes in diets and consumer tastes may reduce the amount of rice consumed in the future so limiting the land required for rice production ● Private benefits e.g. income to farmers from rice production ● External benefits e.g. local businesses might benefit from money spent by rice farm workers	
Level	**Mark**	**Descriptor**
	0	No rewardable material.
Level 1	1–2	Identification of generic evaluative comments. No supporting evidence/reference to context. No evidence of a logical chain of reasoning.
Level 2	3–4	Evidence of evaluation of alternative approaches. Some supporting evidence/reference to context. Evaluation is supported by a partially-developed chain of reasoning.
Level 3	5–6	Evaluation recognises different viewpoints and/or is critical of the evidence. Appropriate reference to evidence/context. Evaluation is supported by a logical chain of reasoning.

Section D

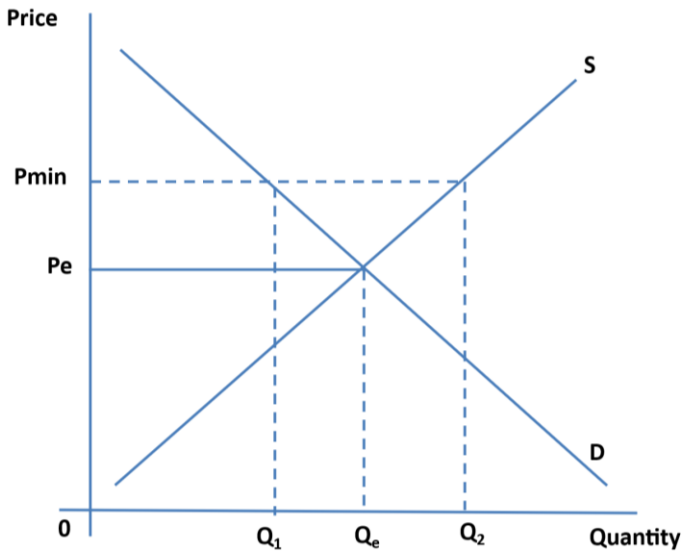
Question	The governments of many countries including Argentina, France and Singapore have implemented indirect taxes as a means of reducing greenhouse gas emissions. Evaluate the advantages of indirect taxes as a means of reducing greenhouse gas emissions. Illustrate your answer with a supply and demand diagram. **Indicative content**
13	Quantitative skills assessed **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. Indicative content guidance Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited. **Knowledge, application and analysis** (12 marks) – indicative content  **NB Accept a specific or an ad valorem tax**.

	• Indirect tax: aims to reduce external costs associated with production by internalising the negative externality • The tax adds costs to polluting firms and creates an incentive for them to lower costs by reducing pollution so reducing external costs • Producers may invest in greener forms of energy • Quantity of fossil fuels consumed will fall from Q_1 to Q_2 so external costs fall and output moves closer to the social optimum level of output • Low cost of administering the tax compared with e.g. legal requirements • Government revenue earned from the tax = FP_2CE • Tax revenues may be used to fund public services e.g. health and education • Originally the price paid by consumers was P_1 but rises to P_2 and quantity falls from Q_1 to Q_2 • External costs reduced as a result of the tax • Welfare loss from overconsumption will be reduced **N.B. Award a maximum of Level 3 if only one advantage is considered** **N.B. Award a maximum of Level 3 if there is no appropriate diagram**

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–3	Displays isolated, superficial or imprecise knowledge and understanding of economic terms, principles, concepts, theories and models. Use of generic material or irrelevant information or inappropriate examples. Descriptive approach, which has no chains of reasoning.
Level 2	4–6	Displays elements of knowledge and understanding of economic terms, principles, concepts, theories and models. Limited application of knowledge and understanding to economic problems in context. A narrow response or superficial, only two-stage chains of reasoning in terms of cause and/or consequence.

Level 3	7–9	Demonstrates accurate knowledge and understanding of economic terms, principles, concepts, theories and models. Ability to apply knowledge and understanding to some elements of the question. Some evidence and contextual references are evident in the answer. Analysis is clear and coherent. Chains of reasoning in terms of cause and/or consequence are evident but they may not be developed fully or some stages are omitted.
Level 4	10–12	Demonstrates accurate and precise knowledge and understanding of economic terms, principles, concepts, theories and models. Ability to link knowledge and understanding in context using appropriate examples which are fully integrated to address the broad elements of the question. Analysis is clear, coherent, relevant and focused. The answer demonstrates logical and multi-stage chains of reasoning in terms of cause and/or consequence.
	Evaluation (8 marks) – indicative content • If the level of the tax is low, then the impact will be minimal • If demand is price inelastic then the tax will have limited effect on the amount of pollution produced • Tax increases the price of goods produced using carbon-generating energy from P_1 to P_2 • Consumer surplus falls from P_1AB to P_2AC. A change/reduction of P_1P_2CB • Lower consumer surplus results in lower real income for consumers, leading to lower living standards • Producer surplus falls from P_1B0 to FE0 • Quantity of fossil fuels consumed will fall from Q_1 to Q_2 • Negative impact on profits and employment in carbon-producing industries • Reduced producer surplus for businesses using fossil fuels. Therefore, less profit to fund innovation/ investment • Government failure e.g. excessive administrative costs in measuring greenhouse gas emissions	

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–3	Identification of generic evaluative comments. No supporting evidence/reference to context. No evidence of a logical chain of reasoning.
Level 2	4–6	Evidence of evaluation of alternative approaches. Some supporting evidence/reference to context. Evaluation is supported by a partially-developed chain of reasoning.
Level 3	7–8	Evaluation recognises different viewpoints and/or is critical of the evidence, leading to an informed judgement. Appropriate reference to evidence/context. Evaluation is supported by a logical chain of reasoning.

Question	In Canada the British Columbia Chicken Marketing Board sets a minimum price that farmers receive for supplying chicken to processors. Evaluate the advantages of setting a minimum price for chicken. Illustrate your answer with a supply and demand diagram. **Indicative content**
14	Quantitative skills assessed **QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms. Indicative content guidance Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited. **Knowledge, application and analysis** (12 marks) – indicative content  • Minimum price- the price set below which price cannot be charged.

	• The idea is to protect farmers from being paid very low prices for their chickens • The price paid to farmers should rise from Pe to Pmin • This will result in an extension in quantity supplied from Qe to Q_2 • Producer surplus will rise • Total revenue and profit may rise for chicken farmers • Could increase choice to consumers as new firms may decide to enter the market • Protects producers who may be exploited by processors • Encourages farmers to ensure good animal welfare **N.B. Award a maximum of Level 3 if only one advantage is considered** **N.B. Award a maximum of Level 3 if there is no appropriate diagram**

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–3	Displays isolated, superficial or imprecise knowledge and understanding of economic terms, principles, concepts, theories and models. Use of generic material or irrelevant information or inappropriate examples. Descriptive approach, which has no chains of reasoning.
Level 2	4–6	Displays elements of knowledge and understanding of economic terms, principles, concepts, theories and models. Limited application of knowledge and understanding to economic problems in context. A narrow response or superficial, only two-stage chains of reasoning in terms of cause and/or consequence.
Level 3	7–9	Demonstrates accurate knowledge and understanding of economic terms, principles, concepts, theories and models. Ability to apply knowledge and understanding to some elements of the question. Some evidence and contextual references are evident in the answer. Analysis is clear and coherent. Chains of reasoning in terms of cause and/or

		consequence are evident but they may not be developed fully or some stages are omitted.
Level 4	10–12	Demonstrates accurate and precise knowledge and understanding of economic terms, principles, concepts, theories and models. Ability to link knowledge and understanding in context using appropriate examples which are fully integrated to address the broad elements of the question. Analysis is clear, coherent, relevant and focused. The answer demonstrates logical and multi-stage chains of reasoning in terms of cause and/or consequence.
	Evaluation (8 marks) – indicative content ● Increase in price for consumers (Pe to Pmin) ● The higher price will result in a contraction in demand from Qe to Q_1 as chicken becomes less affordable ● Consumer surplus will fall ● Minimum price causes excess supply/a surplus of Q_1Q_2. Costs of storage will be incurred by producers and/or the government ● A minimum price guaranteed by the government would increase government expenditure and may lead to higher taxes ● Resource misallocation: overproduction suggests that resources could be allocated more efficiently	
Level	**Mark**	**Descriptor**
	0	No rewardable material.
Level 1	1–3	Identification of generic evaluative comments. No supporting evidence/reference to context. No evidence of a logical chain of reasoning.
Level 2	4–6	Evidence of evaluation of alternative approaches. Some supporting evidence/reference to context. Evaluation is supported by a partially-developed chain of reasoning.

Level 3	7–8	Evaluation recognises different viewpoints and/or is critical of the evidence, leading to an informed judgement. Appropriate reference to evidence/context. Evaluation is supported by a logical chain of reasoning.