2004 HSC
Notes from
the Marking Centre
Economics

Contents

2004 HSC NOTES FROM THE MARKING CENTRE ECONOMICS

Introduction

This document has been produced for the teachers and candidates of the Stage 6 course in Economics. It provides comments with regard to responses to the 2004 Higher School Certificate Examination, indicating the quality of candidate responses and highlighting the relative strengths and weaknesses of the candidature in each section and each question.

It is essential for this document to be read in conjunction with the Economics syllabus, the 2004 Higher School Certificate Examination paper, the Marking Guidelines and other support documents which have been developed by the Board of Studies to assist in the teaching and learning of Economics.

In 2004, 5924 candidates presented for the Economics examination. The examination contained questions from each of the HSC topic areas and provided ample scope for candidates to demonstrate their knowledge, understanding and skills in relation to the HSC course outcomes.

Section I – Multiple Choice

Question	Correct Response		Question	Correct Response
1	D		11	C
2	B		12	B
3	A		13	D
4	C		14	A
5	A		15	A
6	B		16	D
7	B		17	B
8	D		18	A
9	D		19	C
10	D		20	C

Section II – Short-answer questions

General comments

All questions in Section ll are mandatory. This section of the 2004 paper included questions that assessed candidates' knowledge and skills in relation to several course outcomes, including application of mathematical concepts (H11), understanding of economic terms and concepts (H1) and the application of terms, concepts and theories (H8). Responses generally indicated that the different demands of the key words such as *explain, analyse, outline, identify, discuss* and *define* are well understood by the majority of candidates.

Question 21

The majority of candidates demonstrated appropriate knowledge and understanding of the economic concepts in this question, including the impact of a subsidy and global protectionist policies. Better responses for part (a) were able to explain clearly the effect of the subsidy in reducing costs of production, attracting more producers into the market, increasing supply and reducing prices. Weaker responses tended to incorrectly equate the application of the subsidy with an increase in productivity, and some provided incorrect descriptions of the movements illustrated in the diagram, eg decrease in supply. Brief responses frequently defined a subsidy without specific reference to the question.

It should be noted that part (b) included the instruction 'with reference to the diagram' and the better responses tended to make this reference explicit in their analysis. These responses commonly included references to a decline in market share, decreases in income and profit, and a possible reduced demand for labour or other resources. Weaker responses tended to be superficial, with little or no reference to the diagram. These responses also focused on producers in countries where the subsidy *had* been introduced, rather than countries where the subsidy *had not* been introduced.

Better responses for part (c) were clear and concise and explained two benefits associated with reduction in global protectionist policies, linking each clearly to impacts such as increases in living standards, increased economies of scale and greater allocative efficiency. Weaker responses tended to list or comment briefly without explaining the benefits.

Question 22

The table of data provided in this question was for 'an economy' and each of the parts of the question referred candidates to 'this economy'. Better responses in all parts demonstrated evidence that the data had been analysed and referred to in answering each of the parts of the question. A significant feature also of better responses was the ability of candidates to distinguish between the *unemployment* rate and the *participation* rate, both in terms of the quantitative demands of the question and in the conceptual understanding related to causes and appropriate government policy responses. Weaker responses did not distinguish between the unemployment rate and the participation rate, particularly in relation to part (b) and made limited use of the data in the table or the economy that the data was for.

Better responses for part (b) included increased school retention rates, earlier retirement or an increase in discouraged job seekers as unemployment increased, as possible causes of the increased participation rate. Weaker responses referred to factors leading to an increase in the unemployment rate such as reduced consumer demand. In part (c), better responses provided a clear explanation of the inverse relationship between inflation and unemployment, using specific examples such as increased unemployment leading to reduced consumer demand and less pressure on prices and inflation.

Better responses for part (d) contained clear explanations of how two macroeconomic policies could be used to reduce unemployment, with most responses referring to fiscal and monetary policy measures. They integrated the use of economic terms and concepts such as budget deficit and Reserve Bank buying government securities. Weaker responses tended to provide

brief descriptions rather than explanations, sometimes of one policy only, and often confused macroeconomic policies and microeconomic policies.

Question 23

Responses to this question tended to be either better responses from candidates who demonstrated concise and accurate knowledge of the concepts, or weaker responses that were very general and superficial in nature, indicating that some candidates had not prepared this content as thoroughly as the questions demanded. Better responses in part (a) referred to the ability of a renewable resource to renew or regenerate itself in a relatively short period of time and provided examples, frequently referring to the need for sustainability and the avoidance of exploitation of resources. Weaker responses confused *renewing* with *recycling*.

In part (b), the majority of responses dealt adequately with the concept *social cost* in relation to the logging of rainforests. However the ability of candidates to distinguish between private and social costs, and to communicate an accurate understanding of the concept *private costs* in particular, clearly delineated the differences in the standard of responses. Weaker responses tended to reproduce parts of the stimulus material and confused the private and social costs of logging.

The majority of responses utilised appropriate examples in part (c) in the discussion of a possible conflict between the goals of economic growth and the preservation of the natural environment, eg in the pursuit of higher rates of economic growth, the need for businesses to consume a larger volume of resources which may lead to irreversible damage of the natural environment. Better responses made reference to the possibility of the promotion of higher rates of economic growth with ecologically sustainable development strategies to conserve non-renewable resources for future generations. The concept of market failure was integrated into some of the better responses.

Question 24

Better responses to this question demonstrated a clear and accurate understanding of microeconomic policies, structural change, deregulation, productivity growth and the links between these concepts. Two of the three parts of this question required reference to the Australian economy and better responses included specific examples from the Australian economy. Weaker responses reproduced the stimulus in various ways to answer the parts of the question.

In part (a), better responses featured a cause and effect approach in the outline of two economic effects of implementing microeconomic policies. Structural unemployment and long term unemployment, short and long term effects, competition policy and the impact of technology are examples of the concepts integrated into these responses. Weaker responses commonly listed rather than *outlined* possible economic effects, or confused microeconomic policies with fiscal or monetary policy.

In part (b), candidates were required to describe two problems associated with structural change *in the Australian economy*. The impact of technological change and the increase in demand for new skills for the labour market were examples commonly offered. Better responses distinguished between short and long term effects, and the associated problems. Better responses in part (c) were concise but detailed, commonly starting with a definition of deregulation. Labour market reforms, financial sector reforms and trade reforms were used in better responses as examples to illustrate the links between deregulation and productivity growth. *Efficiency* was a central concept in better responses. Weaker responses were superficial and did not make reference to the Australian economy.

Sections III and IV – General Comments

The general standard of responses to the questions in Sections III and IV indicated that candidates were well-prepared in relation to the Economics assessment rubrics which require

them to apply economic terms, concepts, relationships and theory, to present sustained, logical and well-structured answers, and where appropriate to use economic data or the stimulus information provided.

Better responses generally indicated that these candidates were able to make links and connections *across* the four HSC Topics, rather than seeing each topic as being separate.

As in previous years there was evidence of some candidates presenting responses that were pre-prepared and which in some cases did not meet the full requirements of the question. Similarly some candidates appeared to overlook or ignore the specific economic terminology used in the questions, such as *effectiveness* of policies in Question 27, 'economic development and *environmental consequences* in Question 28, or *external stability* in Question 26.

Section III

General comments

It should be noted that the assessment rubric requires that candidates 'use (…) the economic information provided'. The stimulus material is selected in order to raise particular issues or suggest a particular area of investigation or focus within the question. Better responses tended to use the stimulus material effectively, making specific reference to it where appropriate throughout their responses. Question 25 was a more popular response than Question 26 in this section of the examination paper.

Question 25

In general, the significant economic issues associated with the effects of changes in the exchange rate of the Australian dollar were well represented and analysed by most candidates. Responses generally presented an accurate definition of the exchange rate in terms of other currencies, and included appropriate reference to the trade weighted index. Better responses utilised clearly annotated diagrams, frequently with contemporary applications, to support their analysis. These responses also made appropriate reference to the stimulus material. The effects of changes in the exchange rate on the balance of goods and services were treated appropriately in most responses. Average responses also considered the implications of changes in the exchange rate on the level of foreign debt and debt servicing requirements.

Better responses considered short and long-term implications of changes in the exchange rate on the balance of payments, and the impact on the general economy including inflation, unemployment, and economic growth. The linkages between interest rate and exchange rate policy were also explored in the context of general economic policy.

Weaker responses tended to be descriptive rather than analytical, and confused the terms of trade and the balance on goods and services. These responses often contained incorrect descriptions of monetary policy and Reserve Bank intervention in the exchange rate.

Question 26

Candidates' understanding of the concept of *external stability* was important in this question. It is evident that this remains a challenging concept for all candidates.

Better responses were able to clearly and concisely demonstrate an understanding of the cause of the current account deficit and its effects on external stability including reference to currency volatility and foreign liabilities. These responses commonly referred to causes such as a narrow export base, the terms of trade, exchange rate fluctuations, international competitiveness, low savings ratio, and high level of foreign debt. Australia's international credit rating and changes in the terms of trade were also included in this analysis. Appropriate references to the stimulus were included in the better responses, in particular in relation to the importance of domestic savings and the significance of export income. In addition, effective use was made of the Balance of Payments per cent of GDP chart to analyse the relationships between exports,

imports, the balance of goods and services and the current account deficit during particular time periods.

Weaker responses were descriptive and demonstrated limited understanding of the concept of *external stability*. There was also evidence of presentation of pre-prepared responses that devoted much of their content to government policy responses although this was not directly required by the question. The current account deficit was sometimes confused with the budget deficit.

Section IV

The assessment rubric requires that candidates 'use economic data'. This was, in general, not an area of strength in average responses, and may need a sharper teaching and learning focus as various topic areas in the syllabus are explored. Question 27 was answered by approximately two thirds of the candidature.

Question 27

Better responses to this question were well structured and contained a logical sequencing of content. Clear and accurate explanations of relevant economic terms and concepts, eg economic growth, inflation, inflationary expectations, budget outcome, and policy mix, were also a feature of these responses. Economic data, eg inflation and unemployment rates, interest rates, GDP, and relevant diagrams, eg aggregate demand, were used to support the discussion. The main requirement of the question was that candidates discussed the *effectiveness* of these policies and better responses clearly addressed this requirement, acknowledging the role of time lags, flexibility of implementation, global influences on interest rates and exchange rates, and political constraints in particular. The importance of the 'policy mix' and the supporting role of microeconomic policies in dealing with economic growth and inflation were included in better responses, as was the difference between short-term and long-term policy impact.

Weaker responses tended to include superficial descriptions of how monetary and fiscal policies operate, without focusing on the effectiveness of the policies or making explicit links between policy measures and economic growth and inflation. Some of these responses included over-lengthy discussions of unemployment and the distribution of income and wealth.

Question 28

Responses to this question represented the full range but the choice of the case study influenced candidates' ability to answer all aspects of the question adequately.

The most commonly chosen case studies included in better responses were China, Poland, India, Vietnam, and Brazil. These responses were detailed, included a clear explanation of globalisation, and distinguished between economic *development* and economic *growth*. Effective use of economic data, eg development indicators, enhanced the quality of these responses, which demonstrated a clear understanding of the inequalities associated with globalisation. Both positive and negative impacts of globalisation, particularly in relation to environmental consequences, were included in the discussion, eg individual nations accepting global responsibility as an example of a positive impact and the exploitation of non-renewable resources as a negative impact.

Weaker responses were broad and general and tended to provide a superficial outline of some aspects of globalisation rather than a detailed discussion. These responses contained little or no economic data and did not provide appropriate integration of the case study/studies. Weaker responses often attributed all changes in economic development and the global environment to one or two aspects of globalisation. A significant number of these responses also contained lengthy discussions of government policies to promote globalisation. Not all responses focused on economic *development*, and some candidates did not include environmental

consequences in their responses. Historical details on political developments in the case study country were sometimes included at the expense of the key requirements of the question.

The choice of a case study/case studies remains an important decision when approaching the Global Economy topic and candidates must be clear about why particular case studies have been chosen and how they can be used to illustrate specific impacts of globalisation. Responses that focused on Australia or the United States of America as the selected case study for this question needed to make additional references to a developing economy to fully explore all aspects of the question.

Economics

2004 HSC Examination Mapping Grid

Question	Marks	Content	Syllabus outcomes
Section I			
1	1	International organisations (Topic 1)	H1
2	1	Marginal propensity to consume (Topic 3)	H1, H11
3	1	Disadvantages of decentralised incomes policies (Topic 4)	H1, H2, H6
4	1	Terms of trade (Topic 2)	H1, H8, H11
5	1	Real economic growth (Topic 3)	H1, H11
6	1	Forms of protection (Topic 1)	H1, H3, H4
7	1	Participation/unemployment measurement (Topic 3)	H1
8	1	Lorenz curve (Topic 3)	H1, H7
9	1	Certified agreements (Topic 4)	H1
10	1	Policy objectives (Topic 4)	H5, H6
11	1	Impact of globalisation (Topic 1)	H1, H4
12	1	Interest rates (Topic 4)	H6
13	1	Injections/withdrawals (Topic 3)	H1, H11
14	1	Terms of trade (Topic 2)	H4
15	1	Balance of payment (Topic 2)	H1, H11
16	1	Aggregate demand and supply (Topic 3)	H1, H7, H11
17	1	Balance of payment (Topic 2)	H1, H11
18	1	Fiscal policy (Topic 4)	H1, H2, H5
19	1	Exchange rates (Topic 2)	H1, H2, H4, H11
20	1	Balance of payment (Topic 2)	H1, H8

Question	Marks	Content	Syllabus outcomes
Section II			
21 (a)	2	Movement in supply after subsidy (Topic 1)	H1, H11
21 (b)	4	Impact of subsidy (Topic 1)	H1, H2, H3, H4, H11
21 (c)	4	Benefits of reducing protection (Topic 1)	H1, H4
22 (a)	1	Trend in unemployment (Topic 3)	H1, H11
22 (b)	2	Causes of fall in participation rate (Topic 3)	H1, H11
22 (c)	3	Relationship between unemployment and inflation (Topic 3)	H1, H11
22 (d)	4	Macro policies to reduce unemployment (Topic 3)	H2, H7, H11
23 (a)	2	Define renewable resource (Topic 3)	H1
23 (b)	3	Distinguish between private and social costs (Topic 3)	H1, H7
23 (c)	5	Conflicts between economic growth and environment (Topic 3)	H1, H2, H7
24 (a)	2	Implementing micro policy (Topic 4)	H1, H6
24 (b)	3	Problems of structural change (Topic 4)	H1, H5
24 (c)	5	Deregulation and productivity growth (Topic 4)	H1, H2, H5, H6
Section III			
25	20	Movement of exchange rates on economy (Topic 2)	H2, H4, H5, H8, H10
26	20	Australia's CAD and external stability (Topic 2)	H2, H4, H5, H8, H10
Section IV			
27	20	Monetary policy, fiscal policy, growth and inflation (Topic 3–4)	H1, H2, H5, H6, H10
28	20	Globalisation, economic development and environment (Topic 1)	H1, H2, H5, H6, H10

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Marking Guidelines

Section II

Question 21 (a)

Outcomes assessed: H1, H11

MARKING GUIDELINES

Criteria	Marks
• Demonstrates an understanding of the relationship between the introduction of the subsidy and the subsequent shift of the supply curve	2
• Demonstrates a limited understanding of the link between the introduction of the subsidy and the shift of the supply curve	1

Question 21 (b)

Outcomes assessed: H1, H2, H3, H4, H11

MARKING GUIDELINES

Criteria	Marks
• Demonstrates a clear and concise understanding of the implications of the relationship between the impact of the subsidy and its effects on producers in countries where the subsidy has not been introduced • Makes specific reference to the diagram	4
• Demonstrates an understanding of the implications of the relationship between the impact of the subsidy and its effects on producers in countries where the subsidy has not been introduced	3
• Identifies the impact of the subsidy and its effects on producers	2
• States the impact of the subsidy and makes limited reference to its effect(s) on producers	1

Question 21 (c)

Outcomes assessed: H1, H4

MARKING GUIDELINES

Criteria	Marks
• Demonstrates a clear and concise understanding of the relationship between the reduction in global protectionist policies and TWO benefits associated with this reduction	4
• Demonstrates an understanding of the relationship between the reduction in global protectionist policies and ONE benefit associated with this reduction, and outlines a second benefit associated with this reduction	3
• Sketches the relationship between the reduction in global protectionist policies and a benefit associated with this reduction	2
• Lists example(s) of the reduction in global protectionist policies with limited or reference to associated benefits	1

Question 22 (a)

Outcomes assessed: H1, H11

MARKING GUIDELINES

Criteria	Marks
• Correctly recognises and names the trend in the unemployment rate as increasing (positive trend)	1

Question 22 (b)

Outcomes assessed: H1, H11

MARKING GUIDELINES

Criteria	Marks
• Sketches in general terms TWO possible causes of the fall in the participation rate for this economy	2
• Sketches in general terms ONE possible cause of the fall in the participation rate for this economy	1

Question 22 (c)

Outcomes assessed: H1, H11

MARKING GUIDELINES

Criteria	Marks
• Demonstrates a clear understanding of the inverse relationship between the reduction in the rate of inflation and the increase in the rate of unemployment (or vice versa) for this economy	3
• Describes the inverse relationship between the reduction in the rate of inflation and the increase in the rate of unemployment (or vice versa) for this economy	2
• Recognises the reduction in the rate of inflation and the increase in the rate of unemployment	1

Question 22 (d)

Outcomes assessed: H2, H7, H11

MARKING GUIDELINES

Criteria	Marks
• Demonstrates a clear and concise understanding of how TWO macroeconomic policies could be used to reduce unemployment • Supports arguments with relevant use of information from the table	4
• Demonstrates a clear understanding of how ONE macroeconomic policy could be used to reduce unemployment and outlines a second marcoeconomic policy • Supports arguments with use of information from the table	3
• Sketches in general terms the relationship between TWO macroeconomic policies and unemployment with limited reference to information in the table OR • Demonstrates a clear understanding of how ONE macroeconomic policy could be used to reduce unemployment	2
• States a relevant macroeconomic policy	1

Question 23 (a)

Outcomes assessed: H1

MARKING GUIDELINES

Criteria	Marks
• States meaning of renewable resource and identifies the fact that it can be replenished	2
• Demonstrates a limited understanding of the meaning of renewable resources	1

Question 23 (b)

Outcomes assessed: H1, H7

MARKING GUIDELINES

Criteria	Marks
• Indicates clearly and concisely the differences between the private and social costs as they apply to the logging of rainforests	3
• Indicates the difference between the private and social costs as they apply to the logging of rainforests	2
• Provides examples of private and/or social costs OR • Demonstrates a limited understanding of private and/or social costs	1

Question 23 (c)

Outcomes assessed: H1, H2, H7

MARKING GUIDELINES

Criteria	Marks
• Clearly and concisely identifies issues relating to a possible conflict between economic growth and the preservation of the natural environment • Provides point(s) for and/or against the achievement of the goals	4-5
• Identifies issues relating to a possible conflict between economic growth and the preservation of the natural environment	2-3
• Identifies possible goals of economic growth and/or the preservation of the natural environment	1

Question 24 (a)

Outcomes assessed: H1, H6

MARKING GUIDELINES

Criteria	Marks
• Clearly indicates the main features of TWO economic effects of implementing microeconomic policies	2
• Indicates the main features of only ONE economic effect of implementing microeconomic policies OR • Lists TWO economic effects of implementing microeconomic policies	1

Question 24 (b)

Outcomes assessed: H1, H5

MARKING GUIDELINES

Criteria	Marks
• Clearly provides characteristics and features of TWO problems associated with structural change relevant to the Australian economy	3
• Clearly provides characteristics and features of ONE problem associated with structural change relevant to the Australian economy and mentions another relevant problem OR • Sketches in general terms TWO problems associated with structural change relevant to the Australian economy	2
• Sketches in general terms ONE problem associated with structural change	1

Question 24 (c)

Outcomes assessed: H1, H2, H5, H6

MARKING GUIDELINES

Criteria	Marks
• Clearly makes evident the relationship between deregulation and its outcome of promoting productivity growth relevant to the Australian economy	4–5
• Demonstrates an understanding of the relationship between deregulation and its outcome of promoting productivity growth relevant to the Australian economy	3
• Provides characteristics and features of deregulation and productivity growth	2
• Indicates only the main features of deregulation and/or productivity growth	1

Section III

Question 25

Outcomes assessed: H2, H4, H5, H8, H10

MARKING GUIDELINES

Criteria	Marks
• Demonstrates a clear and concise understanding of the relationship between the effects of the appreciation and depreciation of the Australian dollar against other currencies and implications for the Australian economy • Integrates appropriate economic terms, relevant concepts, relationships and theory • Synthesises own information with the information provided to develop a sustained, logical and well-structured response	17–20
• Demonstrates an understanding of the relationship between the effects of the appreciation and/or depreciation of the Australian dollar against other currencies and implications for the Australian economy • Consistently applies appropriate economic terms, relevant concepts, relationships and theory • Uses own information and the information provided to develop a logical and well-structured response	13–16
• Provides characteristics and features of changes in the Australian dollar with some implications for the Australian economy • Applies appropriate economic terms, concepts and relationships • Uses own information and the information provided to develop a coherent response	9–12
• Sketches changes in the Australian dollar in general terms with limited reference to effects on the Australian economy • Uses some appropriate economic terms, concepts and relationships • Uses information to develop a generalised response	5–8
• Lists aspects of exchange rates • Uses some economic terms and/or concepts • Presents a limited response	1–4

Question 26

Outcomes assessed: H2, H4, H5, H8, H10

MARKING GUIDELINES

Criteria	Marks
• Demonstrates a clear and concise understanding of the relationship between the CAD and its causes and the implications of the CAD for external stability • Integrates appropriate economic terms, relevant concepts, relationships and theory • Synthesises own information with the information provided to develop a sustained, logical and well-structured response	17–20
• Demonstrates an understanding of the relationship between the CAD and its causes and the implications of the CAD for external stability • Consistently applies appropriate economic terms, relevant concepts, relationships and theory • Uses own information and the information provided to develop a logical and well-structured response	13–16
• Provides characteristics and features of Australia's current account deficit and relates implications for external stability • Applies appropriate economic terms, concepts and relationships • Uses own information and the information provided to develop a coherent response	9–12
• Sketches the causes of Australia's current account deficit with some limited effects on external stability • Use some appropriate economic terms, concepts and relationships • Uses information to develop a generalised response	5–8
• Lists aspects of Australia's current account deficit • Uses some economic terms and/or concepts • Presents a limited response	1–4

Section IV

Question 27

Outcomes assessed: H1, H2, H5, H6, H10

MARKING GUIDELINES

Criteria	Marks
• Demonstrates a clear and concise understanding of the effectiveness of both monetary and fiscal policies by identifying relevant criteria of effectiveness. • Provides points for and/or against how these policies deal with economic growth and inflation • Integrates appropriate economic terms, relevant concepts, relationships and theory • Synthesises economic data and other information to develop a sustained, logical and well-structured response	17–20
• Demonstrates an understanding of the effectiveness of both monetary and fiscal policies by identifying relevant criteria of effectiveness. • Provides points for and/or against how these policies deal with economic growth and inflation OR • Demonstrates a clear and concise understanding of the effectiveness of either monetary or fiscal policy by identifying relevant criteria of effectiveness and outlines the alternative policy in terms of effectiveness • Consistently applies appropriate economic terms, relevant concepts, relationships and theory • Uses economic data and other information to develop a logical and well-structured response	13–16
• Provides characteristics and features of the effectiveness of BOTH monetary and fiscal policies in dealing with EITHER economic growth OR inflation OR • Provides characteristics and features of the effectiveness of EITHER monetary OR fiscal policy in dealing with BOTH economic growth and inflation • Applies appropriate economic terms, concepts and relationships • Uses some economic data and other information to develop a coherent response	9–12
• Sketches in general terms the effectiveness of monetary and/or fiscal policies in dealing with economic growth and/or inflation • Uses some appropriate economic terms, concepts and relationships • Uses some economic information to develop a generalised response	5–8
• Lists aspects of monetary and/or fiscal policies • Uses some economic terms and/or concepts • Presents a limited response	1–4

Question 28

Outcomes assessed: H1, H2, H5, H6, H10

MARKING GUIDELINES

Criteria	Marks
• Demonstrates a clear and concise understanding of the impact of globalisation on one or more economies by identifying issues and providing points for and/or against with reference to economic development and environmental consequences • Supports response with in-depth information for one economy or a synthesis of information from more than one economy • Integrates appropriate economic terms, relevant concepts, relationships and theory • Synthesises economic data and other information to develop a sustained, logical and well-structured response	17–20
• Demonstrates an understanding of the impact of globalisation on one or more economies by identifying issues and providing points for and/or against with reference to economic development and environmental consequences • Supports response with information for one or more economies • Consistently applies appropriate economic terms, relevant concepts, relationships and theory • Uses economic data and other information to develop a logical and well-structured response	13–16
• Provides the characteristics and features of the impact of globalisation on one or more economies with reference to economic development and/or environmental consequences • Supports response with limited information for one or more economies • Applies appropriate economic terms, concepts and relationships • Uses some economic data and other information to develop a coherent response	9–12
• Sketches in general terms some impacts of globalisation with reference to economic development and/or environmental consequences • Uses some appropriate economic terms, concepts and relationships • Uses some economic information to develop a generalised response	5–8
• Lists aspects of globalisation • Uses some economic terms and/or concepts • Presents a limited response	1–4