



**B O A R D O F S T U D I E S**  
NEW SOUTH WALES

## **2009 HSC Economics Marking Guidelines**

### **Section I**

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

**Section II****Question 21 (a)***Outcomes assessed: H1, H11***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• States the expenditure that has contributed most to the inflation rate	1

**Question 21 (b)***Outcomes assessed: H1***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Clearly recognises differences between demand inflation and cost inflation	2
• States meaning of either demand inflation or cost inflation OR • Demonstrates limited understanding of demand inflation and cost inflation	1

**Question 21 (c)***Outcomes assessed: H1, H7***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Demonstrates a clear and thorough understanding of how a depreciation of the \$A affects inflation in Australia	3
• Sketches in general terms how a depreciation of the \$A affects inflation in Australia	2
• Lists effect/s of a depreciation on inflation	1

**Question 21 (d)***Outcomes assessed: H1, H7, H8***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Demonstrates a clear, concise and balanced understanding of how or why inflation affects an economy in ONE positive and ONE negative way	4
• Demonstrates sound understanding of how or why inflation affects an economy in ONE positive and ONE negative way OR • Demonstrates a clear and concise understanding of how or why inflation affects an economy in either ONE positive or ONE negative way and sketches in general terms the other	3
• Sketches in general terms how or why inflation affects an economy in ONE positive and ONE negative way OR • Demonstrates a sound understanding of how or why inflation affects an economy in either ONE positive or ONE negative way	2
• Sketches in general terms either ONE positive or ONE negative effect of inflation on an economy OR • Lists effects of inflation on an economy	1

**Question 22 (a) (i)***Outcomes assessed: H1, H11***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Correctly states the value of the budget outcome for Year 1 AND Year 2	2
• Correctly states the value of the budget outcome for either Year 1 OR Year 2	1

**Question 22 (a) (ii)***Outcomes assessed: H1***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Recognises and names ONE discretionary and ONE non-discretionary item that contributes to a change in the budget outcome from Year 1 to Year 2	2
• Recognises and names either ONE discretionary or ONE non-discretionary item that contributes to a change in the budget outcome from Year 1 to Year 2	1

**Question 22 (a) (iii)***Outcomes assessed: H1***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Sketches in general terms how the non-discretionary change in the budget from the table could affect the distribution of income	2
• States ONE non-discretionary change in the budget from the table that could affect the distribution of income	1

**Question 22 (b)***Outcomes assessed: H1, H2, H6***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Clearly and concisely inquires into the impact on the economy if the government finances a budget deficit by borrowing from the domestic private sector	4
• Inquires into the impact on the economy if the government finances a budget deficit by borrowing from the domestic private sector	3
• Sketches in general terms the impact on the economy if the government finances a budget deficit by borrowing from the domestic private sector	2
• Lists some impact/s on the economy if the government finances a budget deficit by borrowing from the domestic private sector	1

**Question 23 (a)***Outcomes assessed: H1***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Correctly states an example of a public good	1

**Question 23 (b)***Outcomes assessed: H1***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Sketches in general terms ONE characteristic of a public good	2
• States ONE characteristic of a public good	1

**Question 23 (c)***Outcomes assessed: H1, H7***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
• Demonstrates a clear, concise understanding of the relationship between economic growth and the environment	3
• Sketches in general terms the relationship between economic growth and the environment	2
• Lists some aspects of economic growth and/or the environment	1

**Question 23 (d)***Outcomes assessed: H1, H2, H7***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"><li>• Demonstrates a clear, concise and balanced understanding of the positive and negative externalities that could arise from the government's action</li></ul>	4
<ul style="list-style-type: none"><li>• Demonstrates a sound understanding of the positive and negative externalities that could arise from the government's action</li></ul> <p>OR</p> <ul style="list-style-type: none"><li>• Demonstrates a clear, concise and balanced understanding of either the positive, or negative externalities that could arise from the government's action and sketches in general terms the other</li></ul>	3
<ul style="list-style-type: none"><li>• Sketches in general terms the positive and negative externalities that could arise from the government's action</li></ul> <p>OR</p> <ul style="list-style-type: none"><li>• Demonstrates a clear and concise understanding of either the positive or negative externalities that could arise from the government's action</li></ul>	2
<ul style="list-style-type: none"><li>• Lists some positive and negative externalities that could arise from the government's action</li></ul> <p>OR</p> <ul style="list-style-type: none"><li>• Sketches in general terms either positive or negative externalities that could arise from the government's action</li></ul>	1

**Question 24 (a)***Outcomes assessed: H1***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"><li>• Correctly illustrates on diagram provided the new equilibrium price and quantity as <math>P_1</math> and <math>Q_1</math></li></ul>	2
<ul style="list-style-type: none"><li>• Correctly illustrates a shift of the supply curve without labeling equilibrium price and quantity</li></ul> <p>OR</p> <ul style="list-style-type: none"><li>• Correctly illustrates the new equilibrium price and quantity as <math>P_1</math> and <math>Q_1</math> without showing the shift in the supply curve</li></ul>	1

**Question 24 (b)***Outcomes assessed: H1, H2, H4***MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"><li>• Demonstrates a clear and concise understanding of how EITHER one contemporary trading bloc OR one international organisation impacts on global trade flows</li></ul>	3
<ul style="list-style-type: none"><li>• Sketches in general terms how EITHER one contemporary trading bloc OR one international organisation impacts on global trade flows</li></ul>	2
<ul style="list-style-type: none"><li>• Lists some impact/s of EITHER one contemporary trading bloc OR one international organisation on global trade flows</li></ul>	1

**Question 24 (c)**

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

**MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"> <li>• Demonstrates a clear, comprehensive and balanced understanding of the positive and/or negative economic impact on both Australia and the other economy of a reduction in subsidy payments to farmers in the other economy</li> </ul>	5
<ul style="list-style-type: none"> <li>• Demonstrates a clear, and thorough understanding of the positive and/or negative economic impacts on both Australia and the other economy of a reduction in subsidy payments to farmers in the other economy</li> </ul>	4
<ul style="list-style-type: none"> <li>• Demonstrates a sound understanding of the positive and/or negative economic impacts on both Australia and the other economy of a reduction in subsidy payments to farmers in the other economy</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Demonstrates a clear and concise understanding of the positive and/or negative economic impacts on either Australia or the other economy of a reduction in subsidy payments to farmers in the other economy and sketches in general terms the other</li> </ul>	3
<ul style="list-style-type: none"> <li>• Sketches in general terms the positive and/or negative economic impacts on both Australia and the other economy of a reduction in subsidy payments to farmers in the other economy</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Demonstrates a clear, concise or sound understanding of the positive and/or negative economic impact on either Australia or the other economy of a reduction in subsidy payments to farmers in the other economy</li> </ul>	2
<ul style="list-style-type: none"> <li>• Lists some impacts on either Australia or the other economy of a reduction in subsidy payments to farmers in the other economy</li> </ul>	1



## Section III

### Question 25

*Outcomes assessed: H1, H2, H6, H9, H10*

#### MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"> <li>• Synthesises own knowledge with economic information provided to develop a sustained, logical and well structured response</li> <li>• Integrates an extensive and appropriate range of economic terms with relevant concepts, relationships and theory</li> <li>• Provides clear and comprehensive arguments of the positive and/or negative impacts of microeconomic policies on Australia's economic performance</li> </ul>	17–20
<ul style="list-style-type: none"> <li>• Synthesises own knowledge with economic information provided to develop a logical and well structured response</li> <li>• Integrates an appropriate range of economic terms with relevant concepts, relationships and theory</li> <li>• Provides sound arguments identifying the positive and/or negative impacts of microeconomic policies on Australia's economic performance</li> </ul>	13–16
<ul style="list-style-type: none"> <li>• Uses own knowledge with economic information provided to develop a coherent response</li> <li>• Applies appropriate economic terms, concepts and relationships</li> <li>• Sketches in general terms arguments identifying the positive and/or negative impacts of microeconomic policies on Australia's economic performance</li> </ul>	9–12
<ul style="list-style-type: none"> <li>• Uses economic information provided to develop a generalised response</li> <li>• Uses some appropriate economic terms, concepts and relationships</li> <li>• Makes reference to some aspects of the impact of microeconomic policies on Australia's economic performance</li> </ul>	5–8
<ul style="list-style-type: none"> <li>• Presents a limited response</li> <li>• Uses some economic terms and/or concepts relating to microeconomic policies and/or Australia's economic performance</li> </ul>	1–4

**Question 26**
*Outcomes assessed: H1, H2, H4, H7, H8, H9, H10*
**MARKING GUIDELINES**

Criteria	Marks
<ul style="list-style-type: none"> <li>• Synthesises own knowledge with the economic information provided to develop a sustained, logical and well-structured response.</li> <li>• Integrates an extensive and appropriate range of economic terms, relevant concepts, relationships and theory.</li> <li>• Provides clear, comprehensive and balanced arguments of the positive and/or negative impact of globalisation on development and the distribution of global wealth in Australia and at least one other economy</li> </ul>	17–20
<ul style="list-style-type: none"> <li>• Uses own knowledge and the economic information provided to develop a logical and structured response.</li> <li>• Integrates an appropriate range of economic terms, relevant concepts, relationships and theory</li> <li>• Provides sound arguments, of the positive and/or negative impact of globalisation on development and the distribution of global wealth in Australia and at least one other economy</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Provides clear and comprehensive arguments of the positive and/or negative impact of globalisation on development and the distribution of global wealth in one economy and sketches in general terms at least one other economy</li> </ul>	13–16
<ul style="list-style-type: none"> <li>• Uses own knowledge with economic information provided to develop a coherent response</li> <li>• Applies appropriate economic terms, concepts and relationships</li> <li>• Sketches in general terms, the positive and/or negative impact of globalisation on development and the distribution of global wealth in Australia and at least one other economy</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Provides sound arguments, of the positive and/or negative impact of globalisation on development and the distribution of global wealth in one economy and makes reference to at least one other economy</li> </ul>	9–12
<ul style="list-style-type: none"> <li>• Uses economic information to develop a generalised response</li> <li>• Uses some appropriate economic terms, concepts and relationships</li> <li>• Sketches in general terms, the positive and/or negative impact of globalisation on development and the distribution of global wealth in Australia or at least one other economy</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Makes reference to some aspects relating to globalisation and/or the distribution of global wealth and/or development in Australia and at least one other economy</li> </ul>	5–8
<ul style="list-style-type: none"> <li>• Presents a limited response</li> <li>• Uses some economic terms and/or concepts relating to globalisation AND/OR global wealth and development</li> </ul>	1–4

## Section IV

### Question 27

*Outcomes assessed: H1, H2, H5, H6, H7, H10*

#### MARKING GUIDELINES

Criteria	Marks
<ul style="list-style-type: none"> <li>Integrates an extensive and appropriate range of economic terms with relevant concepts, relationships, theories and use of economic data</li> <li>Demonstrates superior economic analysis in a sustained, logical and well structured response</li> <li>Provides a clear, comprehensive and balanced understanding of the relationship between the federal government's macroeconomic policy mix and its impact on inflation and unemployment in the Australian economy</li> </ul>	17–20
<ul style="list-style-type: none"> <li>Integrates an appropriate range of economic terms, relevant concepts, relationships, theory and use of economic data</li> <li>Demonstrates sound economic analysis in a logical and well structured response</li> <li>Provides a sound understanding of how the federal government's macroeconomic policy mix addresses inflation and unemployment in the Australian economy</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>Provides a clear, and comprehensive understanding of the relationship between the federal government's macroeconomic policy mix and its impact on either inflation or unemployment in the Australian economy and sketches the other in general terms</li> </ul>	13–16
<ul style="list-style-type: none"> <li>Applies appropriate economic terms, concepts and relationships</li> <li>Develops a coherent response</li> <li>Sketches in general terms how the federal government's macroeconomic policy mix addresses inflation and unemployment in the Australian economy</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>Provides a sound understanding of the relationship between the federal government's macroeconomic policy mix and its impact on either inflation or unemployment in the Australian economy and makes reference to the other</li> </ul>	9–12
<ul style="list-style-type: none"> <li>Uses some appropriate economic terms, concepts and relationships</li> <li>Develops a generalised response</li> <li>Sketches in general terms how the federal government's macroeconomic policy mix addresses either inflation or unemployment in the Australian economy</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>Makes reference to some aspects of the relationship between the federal government's macroeconomic policy mix and its impact on inflation and unemployment in the Australian economy</li> </ul>	5–8

<ul style="list-style-type: none"><li>• Presents a limited response</li><li>• Uses some economic terms and/or concepts relating to the federal government's macroeconomic policy mix and/or inflation and/or unemployment</li></ul>	1-4
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**Question 28**

*Outcomes assessed: H1, H2, H4, H7, H8, H10*

**MARKING GUIDELINES**

<b>Criteria</b>	<b>Marks</b>
<ul style="list-style-type: none"> <li>• Integrates an extensive and appropriate range of economic terms with relevant concepts, relationships, theories and use of economic data</li> <li>• Demonstrates superior economic analysis in a sustained, logical and well structured response</li> <li>• Provides a clear, comprehensive and balanced understanding of the relationship between changes in the global economy and their impact on Australia's economic growth and external stability</li> </ul>	17–20
<ul style="list-style-type: none"> <li>• Integrates an appropriate range of economic terms with relevant concepts, relationships, theory and use of economic data</li> <li>• Demonstrates a sound economic analysis in a logical and well structured response</li> <li>• Provides a sound understanding of how changes in the global economy impact on Australia's economic growth and external stability</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Provides a clear, comprehensive understanding of the relationship between changes in the global economy and their impact on either Australia's economic growth and external stability and sketches in general terms the other</li> </ul>	13–16
<ul style="list-style-type: none"> <li>• Applies appropriate economic terms, concepts and relationships</li> <li>• Develops a coherent response</li> <li>• Sketches in general terms how changes in the global economy impact on Australia's economic growth and external stability</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Provides a sound understanding of the relationship between changes in the global economy and their impact on either Australia's economic growth or external stability and makes reference to the other</li> </ul>	9–12
<ul style="list-style-type: none"> <li>• Uses some appropriate economic terms, concepts and relationships</li> <li>• Develops a generalised response</li> <li>• Sketches in general terms how changes in the global economy impact on either Australia's economic growth or external stability</li> <li>• Makes reference to some aspects of the relationship between changes in the global economy and their impacts on Australia's economic growth and external stability</li> </ul>	5–8
<ul style="list-style-type: none"> <li>• Presents a limited response</li> <li>• Uses some economic terms and/or concepts relating to changes in the global economy and/or Australia's economic growth and/or external stability</li> </ul>	1–4

# Economics

## 2009 HSC Examination Mapping Grid

Question	Marks	Content	Syllabus outcomes
<b>Section I</b>			
1	1	Topic 4 – Government Policy	H1, H5
2	1	Topic 2 – Balance of Payments	H1
3	1	Topic 1 – Development	H1
4	1	Topic 4 – Monetary Policy	H1, H6
5	1	Topic 2 – Terms of Trade	H1, H11
6	1	Topic 3 – Inflation: External Stability	H1, H11
7	1	Topic 4 – Economic Management	H1, H6
8	1	Topic 2 - Balance of Payments	H1, H11
9	1	Topic 2 - Balance of Payments	H1, H5
10	1	Topic 1 – Protection	H1, H7
11	1	Topic 2 – Exchange Rates	H1, H4
12	1	Topic 1 – Development	H1, H11
13	1	Topic 3 – Income Distribution	H1, H11
14	1	Topic 4 – Economic Management	H1, H6
15	1	Topic 4 – Fiscal Policy	H1, H6
16	1	Topic 3 – Multiplier	H1
17	1	Topic 2 – Exchange Rates	H1, H4
18	1	Topic 3 – Economic Growth	H1, H11
19	1	Topic 3 – Unemployment	H1, H11
20	1	Topic 4 – Labour Market	H1
<b>Section II</b>			
21 (a)	1	Topic 3 – Inflation	H1, H11
21 (b)	2	Topic 3 – Inflation	H1
21 (c)	3	Topic 3 – Inflation	H1, H7
21 (d)	4	Topic 3 – Inflation	H1, H7, H8
22 (a)	2	Topic 4 – Fiscal Policy	H1, H11
22 (b)	2	Topic 4 – Fiscal Policy	H1
22 (c)	2	Topic 4 – Fiscal Policy	H1
22 (d)	4	Topic 4 – Fiscal Policy	H1, H2, H6, H7
23 (a)	1	Topic 3 – Environmental Management	H1
23 (b)	2	Topic 3 – Public Goods	H1
23 (c)	3	Topic 3 – Environmental Management	H1, H7
23 (d)	4	Topic 3 – Externalities	H1, H2, H7
24 (a)	2	Topic 1 – Protection	H1
24 (b)	3	Topic 1 – Trade Blocs	H1, H2, H3, H4

<b>Question</b>	<b>Marks</b>	<b>Content</b>	<b>Syllabus outcomes</b>
24 (c)	5	Topic 1 – Protection	H1, H2, H3, H4
<b>Section III</b>			
25	20	Topic 4 – Microeconomic Policy	H1, H2, H6, H9, H10
26	20	Topic 1 – Globalisation and Development	H1, H2, H4, H7, H8, H9, H10
<b>Section IV</b>			
27	20	Topic 4 – Macro Policy	H1, H2, H5, H6, H7, H10
28	20	Topic 2 – Australia’s Place in the Global Economy Topic 3 – Economic Growth and External Stability	H1, H2, H4, H7, H8, H10