

4.	<b>(a) What makes sustained economic growth so desirable?</b>	<b>[10]</b>
	<b>(b) Discuss whether supply-side policies are the most appropriate to achieve sustained economic growth.</b>	<b>[15]</b>
<b>Introduction</b>		
<ul style="list-style-type: none"> <li>- Explain what sustained economic growth is.</li> <li>- Identify the actual and potential components of sustained growth.</li> <li>- Desirability is dependent on the benefits that accrue to this form of growth.</li> </ul>		
<b>Body 1 (Benefits of actual growth)</b>		
<ul style="list-style-type: none"> <li>- More and Better Goods &amp; Services</li> <li>- More Employment Opportunities</li> <li>- Alleviation of Poverty</li> <li>- National Prestige/Economic Might</li> </ul>		
<b>Body 2 (Benefits of potential growth)</b>		
<ul style="list-style-type: none"> <li>- Increased productive capacity.</li> <li>- Increased opportunity to allocate resources to care for the environment.</li> </ul>		
<b>Body 3 (Benefits of having the 2 components together)</b>		
<ul style="list-style-type: none"> <li>- Non-inflationary growth.</li> <li>- Long-term growth trajectory is feasible.</li> </ul>		
<b>Conclusion (Summative)</b>		
Outline the key benefits of having sustained growth. (link to the SoL)		
<b>Mark Scheme</b>		
L1	Shows some understanding of the benefits of growth.	1-4m
L2	Shows a comprehensive knowledge of the benefits of growth. Recognises the relevance of potential growth and the benefits it accords.	5-6m
L3	Is able to illustrate these benefits with clear, sound examples. Demonstrating how achieving one without the other may not be beneficial.	7-10m

Part b)	<b>Discuss whether supply-side policies are the most appropriate to achieve sustained economic growth.</b>	<b>[15]</b>
<b>Introduction</b>		
<ul style="list-style-type: none"> <li>- Left to itself the economy may not achieve growth, thus govts often need to influence the economy to grow.</li> <li>- Distinguish btw 'growth' and 'sustained growth'.</li> <li>- Identify the two main forms/approaches that govt influence can take. i.e. Dd-side and Ss-side policies.</li> <li>- Outline the principles behind these two approaches</li> </ul>		
<b>Body 1 [Thesis] (How SS-side polices can achieve sustained growth)</b>		
<ul style="list-style-type: none"> <li>- SR policies</li> <li>- LR policies</li> </ul>		
<b>Body 2 [Antithesis] (How DD-side policies are needed achieve sustained growth)</b>		
<ul style="list-style-type: none"> <li>- Choose a DD side policy, either FP or MP to show how such policies are needed achieve sustained growth.</li> <li>- Diagram.</li> </ul>		
<b>Body 3 Comparison and discussion</b>		
<ul style="list-style-type: none"> <li>- AD driven growth can be achieved but necessarily sustained.</li> <li>- SR SS driven growth can also be achieved but not necessarily sustained.</li> <li>- LR SS driven growth is necessary for sustained growth.</li> <li>- LR SS driven is most appropriate.</li> </ul>		

	<p><b>Evaluation and conclusion</b></p> <ul style="list-style-type: none"> <li>- Examine conditions under which LR SS side policies are not appropriate, eg when the economy is very poor and developing. In such cases an argument can be made for DD side policies being more appropriate to spur the economy on the long road to sustained economic growth.</li> </ul>	
<b>Mark Scheme</b>		
L1	<ul style="list-style-type: none"> <li>- Shows some basic knowledge of the factors affecting growth.</li> <li>- Shows some understanding that these factors can be influenced by government actions.</li> <li>- Shows some knowledge of SS-side policies</li> </ul>	1-5m
L2	<p>(Strong 1-sided)</p> <ul style="list-style-type: none"> <li>- Is able to show how SS-side policies can influence sustained growth.</li> </ul> <p>(Weak 2-sided)</p> <ul style="list-style-type: none"> <li>- Recognises that SS-side policies alone are not sufficient to attain sustained growth.</li> </ul>	6-8m
L3	<p>(Strong 2-sided, with illustrative examples)</p> <p>Shows a clear understanding of sustained growth. Is able to illustrate how this can be achieved through govt policy measures.</p> <p>Uses clear illustrative examples to support claims made.</p>	9-11m
E1	Comes to a judgement; conditional judgements are clearly stated.	1-2m
E2	Judgements and the conditions are clearly explained.	3-4m