2.27 International Competitiveness: Measures and Determinants: 10-minute Pack

AQA 7136 · Calculators not allowed · about 10 minutes

Total Marks

Name: _____ Date: ____ / ____ / _____

Answer all questions. Full sentences are required for extended answers (questions worth 4 marks and above). No calculator is allowed. Allow approximately 10 minutes for the whole pack.

1 State two government supply-side measures to improve competitiveness.

(Total for Question 1 is 2 marks)

2 Explain why competitiveness matters for growth and employment in the UK.

(Total for Question 2 is 6 marks)

© Revision Library | revisionlibrary.co.uk

Mark scheme · 2.27 International Competitiveness: Measures and Determinants: 10-minute Pack

Question 1

one valid measure named with brief reason, e.g. increased spending on vocational training to raise labour skills and productivity	**B1**
second valid measure named with brief reason, e.g. investment in transport/internet infrastructure to reduce business costs and improve reliability	**B1**

Answer: E.g. more vocational training to raise skills and productivity; investment in transport and digital infrastructure to lower costs and improve reliability.

Question 2

identifies a reason, e.g. higher competitiveness boosts exports and demand for UK-produced goods	**M1**
develops how higher export demand raises firms output and income, leading to higher real GDP	**A1**
identifies a second reason, e.g. rising competitiveness encourages investment by firms and attracts foreign direct investment	**M1**
develops how higher investment increases productive capacity and creates jobs, lowering unemployment	**A1**
additional development linking competitiveness to sustainable long-run growth via productivity and innovation	**M1**
explains that sustained competitiveness improvements can raise living standards through higher employment and wages	**A1**

Answer: Higher competitiveness can boost exports and demand for UK output, raising real GDP and supporting higher employment; it can also attract investment and encourage firms to expand and innovate, increasing productive capacity and creating jobs, so sustained competitiveness gains contribute to long-run growth and improved living standards.

© Revision Library | revisionlibrary.co.uk