1.29 Exam Technique: Extended Essays on Rational Choice and Utility Theory: 10-minute Pack

AQA 7136 · Calculators not allowed · about 10 minutes

Total Marks

Name: _____ Date: ____ / ____ / _____

Answer all questions. Show any planning for essays clearly.

1 Model answer gap-spotting for utility essay technique: a partially completed 12-mark model paragraph is given below on the topic 'limits of rational economic man'. Read it and identify up to four distinct missing analytical or evaluative points that prevent this paragraph from achieving full marks. For each missing point you name, explain in one sentence why it matters to raise the mark. Use the same topic context in your answers. Partial model paragraph: "The rational economic man assumes consumers always maximise utility by choosing the option with the highest marginal utility per unit of expenditure. This simplifies analysis and predicts a downward-sloping demand curve because marginal utility falls as consumption rises. However, experiments show individuals sometimes make inconsistent choices, so the assumption may not always hold."

(Total for Question 1 is 8 marks)

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Mark scheme · 1.29 Exam Technique: Extended Essays on Rational Choice and Utility Theory: 10-minute Pack

Question 1

identifies a missing analytical point: no concrete real-world example of inconsistent choice is given (for example, preference reversals in lab experiments or time-inconsistent choices)	**M1**
explains why its absence matters: an example would support the critique by showing the assumption fails empirically and allow development into consequences for demand predictions	**A1**
identifies a missing analytical point: the paragraph lacks discussion of bounded rationality and cognitive costs which limit optimization	**M1**
explains why its absence matters: considering bounded rationality explains mechanistically why the optimisation assumption is unrealistic and offers an alternative behavioural prediction	**A1**
identifies a missing evaluative point: no consideration of the conditions under which the assumption might be a useful approximation (e.g. for simple discrete choices or small stakes)	**M1**
explains why its absence matters: showing when the model remains useful allows a balanced judgement, which is required for higher marks	**A1**
identifies a missing methodological counter-argument: no mention of how market-level outcomes may still align with utility theory even if individuals deviate	**M1**
explains why its absence matters: this point would develop analysis by showing micro deviations do not automatically invalidate aggregate demand predictions, strengthening evaluation	**A1**

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