# Using ALARM to improve the quality of written responses

*Writing requires*:

* Planning and outlining 🡪 this is where we spend most of our time in class
* Drafting 🡪 student
* Revising 🡪 student uses feedback
* Editing 🡪 final submission

This is a student’s response that received full marks. It answers this question:

# For an economy other than Australia discuss the strategies used to promote both economic growth and development. HSC 2014 Q27

Note how the different **ALARM** prompts have been highlighted.

1. Highlight and annotate THREE more ALARM prompts (name & define, describe, explain, analyse, critical analyse, evaluate).

**Statistics** and contemporary information provide evidence.

1. Put a box around TWO statistics. Link this evidence to its reason.

**Transitional words** link ideas and help you build paragraphs.

1. Highlight or underline THREE transitional words. Identify their purpose, eg. Indicate time, show result, show purpose, indicate sequence/ time, introduce new idea, give example, change direction, compare, contrast, emphasise, conclude.

**Syllabus dot points** need to be evident. The relevant dot points are:

*Globalisation and economic development*

1. differences between economic growth and economic development
2. distribution of income and wealth
3. income and quality of life indicators
4. developing economies, emerging economies, advanced economies
5. reasons for differences between nations
6. effects of globalisation
7. trade, investment and transnational corporations
8. environmental sustainability
9. the international business cycle.
10. Find examples of these dot points and identify each example with the corresponding number.

|  |  |
| --- | --- |
| Name and define  **4**  Explain  Describe  Analyse  Gives a time (subordinating clause)  **7**  Statistics  Transitional word  Transitional word  Critically analyse  **6**  Topic sentence:  *What is affecting Brazil’s economic growth?*  Concluding sentence  Reason  Evidence  Describe/ explain  **1**  Name and define  **2**  **3**  **9**  Evaluate | As the 7th largest economy in the world (2014) and the largest in Latin America , the emerging economy of Brazil has implemented various policies since the 1980s aimed at promoting economic growth and development with mixed success.  Economic growth refers to a sustained increase in an economy's productive capacity, typically measured by real GDP growth (output growth taking into account inflation). Brazil since the 1980s has implemented policies that have seen increased economic growth an average of 4.4% in the five years since the GFC which have aided the economy in becoming one of the world's strongest post GFC.  During the 1980s Brazil adopted a policy of import substitution, whereby local industries were protected heavily as a means of creating self-sufficiency. However, as substantial foreign investment was used to finance such industries such as oil, car and aircraft manufacturing, external stability issues followed, and thus since 1990 Brazil has begun to liberalise trade with the global economy. Between 1990 and 2011 average tariff levels have fallen from 32.3% to 7.6%, and the abolition of all quotas. Furthermore the creation of the Mercosur common market in 1991 has encouraged free trade within the region with trade increasing from US$106b to US $88b within the group. Therefore Brazil has been able to achieve export growth increasing from 5.9% to 16%, foreign trade increasing from 10% to 23% of GDP and exports quadrupling in value. **Hence this trade liberalisation has promoted economic growth as per aggregate demand (AD= C + I + G + X - M ), which has seen real GDP growth increased from 2.2% in the 1980s to 4.4% in the 2000s.**  A key issue that is hindered Brazil's attainment of economic growth has been external stability, especially currency volatility, typified in the hyperinflation of 4000% during the 1990s an Argentinian financial crisis. There for the Brazilian government implemented the Economic Stabilisation Plan (1994) which included the creation of a new currency, the real, which was forced to float freely in 1999. Since the GFC, Brazil has built up its forex reserves from $54b to $374b as well as increased foreign borrowing in terms of the real rather than foreign currency, which have created a cushion against financial speculation. As a result of lower currency volatility and also the Brazilian central bank increased flexibility with interest rates, Brazil has been able to adapt to growing export demand which has resulted in Brazilian exports increasing from 50 billion to 250 billion dollars between 2000 and 2012, and thus creating sustained economic growth.  The fiscal responsibility law created in 2001 furthered this external stability stabilisation by ensuring that fiscal policy is being used to reduce the level of government debt. The law also includes primary fiscal surplus targets, initially set at 4.25% of GDP, however was reduced to 3.1% during the GFC to encourage consumption growth, and more recently in 2014, it has been reduced to 1.9% in the current low economic growth climate. Since its introduction the level of public sector debt has fallen from 55% to 36% of GDP. As a result of lower government debt the fiscal responsibility law has promoted stabilisation of the Brazilian currency and thus contributing to sustained economic growth.  There is a direct link between economic growth and economic development as sustained economic growth tends to result in structural change in the economy, ie. economic development. Moreover Brazil has seen an increase in government tax revenue by 4% as a result of increased personal and corporate tax collections caused by economic growth, which can be used to fund further economic development projects. Economic development is a broad measure of human welfare that takes into account education, health, and material living standards and is typically measured by the human development index (three components GNI per capita , life expectancy and adult literacy rate). Brazil's achieved substantial progress towards economic development and is ahead of the average level in Latin America.  The Bolsa Familia, implemented in 2004 by Brazil is widely regarded as one of the most effective poverty reducing programmes in the world. The programme provides direct conditional income transfer payments of up to 140 reals per month to those who live on less than 70 reals a month (absolute poverty) and between 70 and 140 reals per month (relative poverty), as well as educational and health support programmes and provisions. The programme reaches 15 million families , 1/4 of all families whilst 94% of the funds reached the poorest 40% of the population. The programme has directly contributed to Brazil's decline in total inequality from 37% to 21% fall in number of people in absolute poverty from 18% to 6.1% and halving of the number in poverty despite the programme costing only 0.4% of GDP to the Brazilian government.  The PAC1 and PAC2 programmes of 2007 and 2010 respectively have furthered Brazil's push towards economic development. The PAC1 of 2007 encouraged infrastructure projects through tax concessions in order to promote private investment, as well as direct government finance, as a means of investing in urban infrastructure. The PAC2 continued on this success of PAC1 with an increased budget to invest in urban Development, specifically sanitation, housing, safety, social inclusion, access to electricity and health. Their combined budget of US 1.5 trillion dollars has seen improvement in health and housing investment which has contributed slightly to economic development recently, however has yet to yield their long-term benefits on the population due to the longer delays of impacting on quality of life.  The Fundo Social do Pre Sal, implemented in 2010, contains 50% of all pre salt oil revenues from the government, which is used to fund social development projects. The fund must direct 50% of its funds towards education by law which has approximately 1.5 trillion reals invested into education. Thus, through the direct investment into the education system, Brazil has benefited from increased education levels, however the full extent of its benefits will be seen in the future as education investment continues to expand.  Overall Brazil has seen improvements in economic growth from 2.2% on average in the 1980s to 4.4% on average during the 2000s, as a result of trade liberalisation and external stabilisation. However currently Brazil is in a period of low economic growth as the substantial global economic uncertainty has clouded consumption and investment, resulting in GDP growth below 1% in recent years. Brazil has on the other hand achieved substantial improvements in economic development as the HDI has increased from 0.62 to 0.744 (1990 to 2014) GNI per capita increasing from $5181 PPP to $11,690 PPP, life expectancy increasing from 63 to 74 years and 90% of the population now have basic literacy skills rather than 82% in 1990. However, Brazil is still being faced with substantial challenges to further growth and development such as transport bottlenecks, infrastructure investment slowdown and still relatively high levels of poverty compared to the advanced world. |

**Marker's comment**

The candidate presents a clear and comprehensive response to this question. The candidate uses a case study other than Australia and investigates integrates extensive amounts of data, statistics and strategies throughout the response. The candidate uses concise definitions, details recent trends , and uses explicit and detailed strategies used by government for growth and development. The response demonstrates concise understanding of economic terms, concepts and relationships and evaluates the success of strategies.