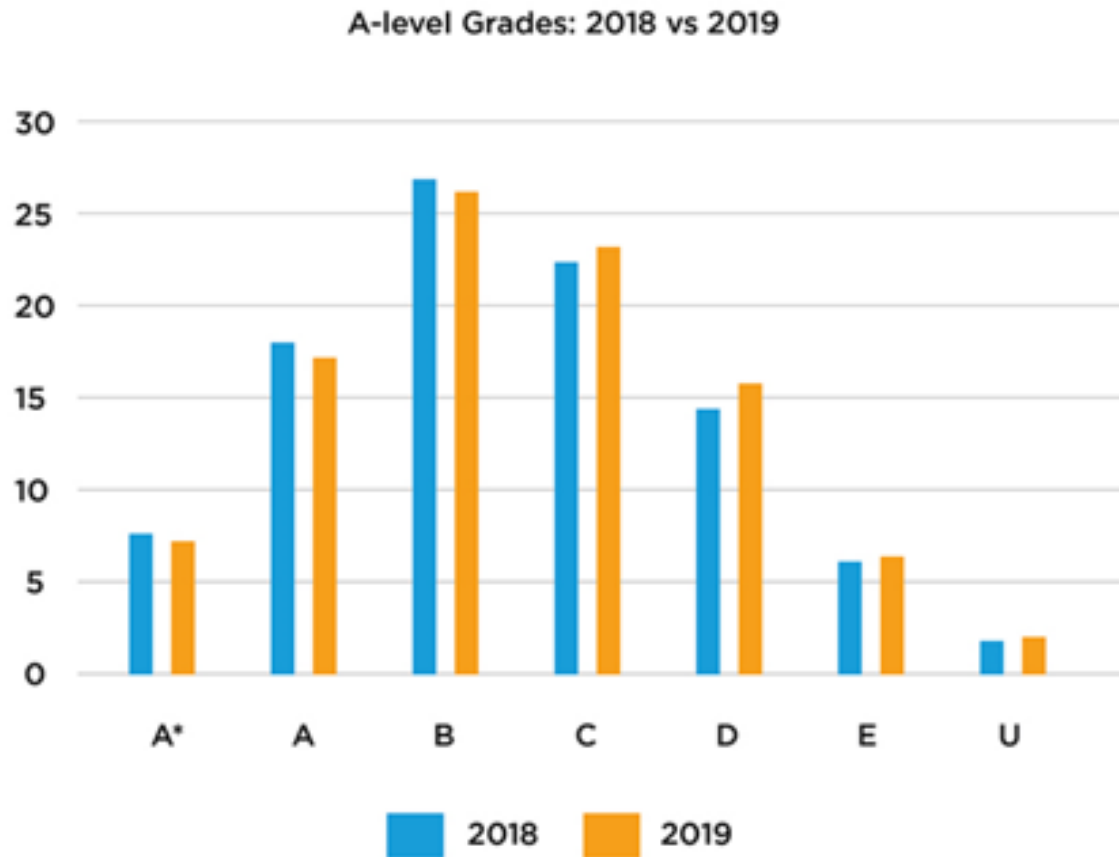


A levels 2018 and 2019

National Distribution of A level grades 2018 & 2019



Source: <http://tonystephens.org.uk>

A level Economics grade boundaries 2017 - 2019

Grade	2017 %	2018 %	2019 %
A*	78	78	80
A	69	70	72
B	59	61	62
C	50	53	53
D	41	44	44
E	32	36	35
U	< 32	< 36	< 35

What conclusions can you draw from these grade boundaries?

edexcel 

Pearson Edexcel A Level in Economics A



SPECIFICATION

Pearson Edexcel Level 3 Advanced GCE in Economics A (9ECO)

First certification 2017

Issue 1

ALWAYS LEARNING

PEARSON

A level Economics:

Paper 1: Markets and business behaviour

***Paper code: 9EC0/01**

- Externally assessed
- Availability: May/June
- First assessment: 2017

**35% of the
total
qualification**

Overview of content

Paper 1 will assess microeconomics and questions will be drawn from Themes 1 and 3.

Overview of assessment

- Written examination.
- The paper comprises three sections. Students answer all questions from Section A and Section B, and one from Section C.
- Section A comprises a range of multiple-choice and short-answer questions.
- Section B comprises one data response question broken down into a number of parts.
- Section C comprises a choice of extended open-response questions; students select one from a choice of two.
- Duration: 2 hours.
- 100 marks available.

A level Economics:

Paper 2: The national and global economy		*Paper code: 9EC0/02
<ul style="list-style-type: none">• Externally assessed• Availability: May/June• First assessment: 2017	35% of the total qualification	
Overview of content Paper 2 will assess macroeconomics and questions will be drawn from Themes 2 and 4.		
Overview of assessment <ul style="list-style-type: none">• Written examination.• The paper comprises three sections. Students answer all questions from Section A and Section B, and one from Section C.• Section A comprises a range of multiple-choice and short-answer questions.• Section B comprises one data response question broken down into a number of parts.• Section C comprises a choice of extended open-response questions; students select one from a choice of two.• Duration: 2 hours.• 100 marks available.		

A level Economics:

Paper 3: Microeconomics and macroeconomics

***Paper code: 9EC0/03**

- Externally assessed
- Availability: May/June
- First assessment: 2017

**30% of the
total
qualification**

Overview of content

Paper 3 will assess content across all four themes.

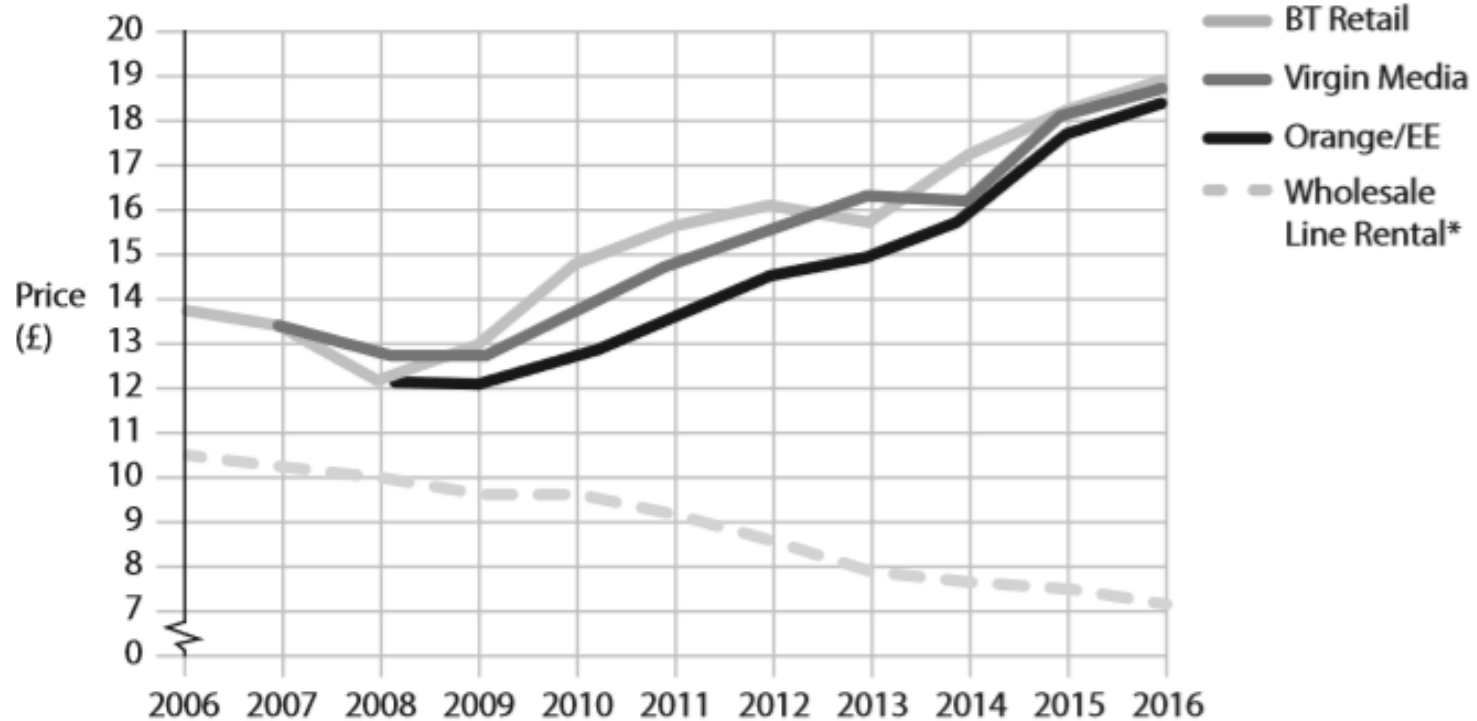
Students are required to apply their knowledge and understanding, make connections and transfer higher-order skills across all four themes.

Overview of assessment

- Written examination.
- The paper comprises two sections.
- Each section comprises one data response question broken down into a number of parts, including a choice of extended open-response questions; students select one from a choice of two.
- Duration: 2 hours.
- 100 marks available.

A level Economics: Numerical Data

Figure 2: The monthly rental cost of a telephone landline



*Wholesale line rental – the rental price BT Openreach charges telephone service providers

(Source: <https://www.ofcom.org.uk/about-ofcom/latest/features-and-news/landline-prices-review>)

A level Economics: Extract Data

Extract B

BT profit rises

BT Group, which includes BT Openreach and BT Retail, reported a rise in profit as revenue increased following the integration of the consumer mobile business, EE. BT finalised the takeover of EE in August 2016, and the integration has resulted in BT controlling 35% of the mobile consumer market. The profit of the UK-based telecommunication group in its second quarter 2017 rose to £566 million. 5

BT Group chief executive Gavin Patterson said: "We will operate a multi-brand strategy with UK customers being able to choose a mix of BT, EE or Plusnet services, depending on which suits them best. The acquisition enables us to offer great value bundles of services and customers are set to be the winners as we compete for their business". 10

(Source: adapted from www.marketwatch.com (Oct 27 – 2016) and <http://home.bt.com/news/bt-life/bt-to-retain-ee-brand-as-acquisition-confirmed-11364037422234>)

Extract C

BT to slash landline charges for 1 million customers

Rental charges for landline-only customers – households with a telephone-only contract but no BT broadband – will fall from £18.99 to £11.99 per month after the regulator attacked existing deals as 'poor value for money'. This rental reduction will save a million landline-only customers £84 a year. 5

The regulator Ofcom (Office of Communications) said it stepped in because these bills for landline-only customers – nearly two-thirds of whom are over 65 – have "soared" in recent years. This is despite BT and other landline providers benefiting from significant cuts in the wholesale line rental cost of providing the service by BT Openreach. Many landline-only customers are elderly, and have been with BT for decades. Ofcom has focused on BT because it accounts for two-thirds of the UK's 1.5m landline-only customers. 10

A spokesperson for Ofcom said "This position [of dominance] has allowed BT to increase prices without much risk of losing customers, and other providers have followed BT's pricing lead. We expect BT's price cut to mean other providers will follow suit". Ofcom said that over three-quarters of BT's landline-only customers have never switched provider, which has left them a prime target for price rises. The regulator said that all major landline providers have increased their line rental charges by between 23% and 47% in recent years, while their own costs for providing the service have fallen about 27%. Ofcom said it is also looking at measures to help people shop around for better deals with more confidence. 20

(Source: adapted from 'BT to slash landline charges for 1m customers', Mark Sweney, Copyright Guardian News & Media Ltd 2017 <https://www.theguardian.com/business/2017/oct/26/bt-to-slash-landline-charges-for-1m-customers>)

A level Economics: Examination question style

- 6 (a) With reference to Extract A, explain the difference between a positive statement and a normative statement. (5)
- (b) With reference to Extract B, examine the likely benefits to consumers of the integration between BT and EE. (8)
- (c) With reference to Extract C, assess possible reasons why many 'landline-only' customers do not switch to a cheaper telephone provider. (10)
- (d) Discuss **one** likely reason for the rise in BT's profit (Figure 2, Extracts B and C). Use a cost and revenue diagram to support your answer. (12)
- (e) Discuss methods of government intervention to protect consumers within the utilities markets, such as energy and telecommunications. (15)

A level Economics: Examination question style

SECTION C

Answer ONE question from this section.

Write your answer in the space provided.

You are advised to spend 30 minutes on this section.

EITHER

- 7** In July 2017 it was announced that only a third of the BBC's 96 top earning presenters were women and that its seven highest-paid presenters were all men.

According to the High Pay Centre, in 2018, UK chief executives can earn 120 times more than the average full-time worker earning £28 758.

With reference to an industry of your choice, evaluate why wage differences exist within the UK labour market.

(Total for Question 7 = 25 marks)

OR

- 8** In October 2017 Scania, the Volkswagen-owned truck maker, was fined €880 million (£771 million) by the European Commission for colluding with five other truck manufacturers over a 14-year period. The firms had agreed to coordinate prices after experiencing additional costs of meeting emission regulations.

With reference to an industry of your choice, evaluate why some firms engage in collusive behaviour.

(Total for Question 8 = 25 marks)

The UK Economy



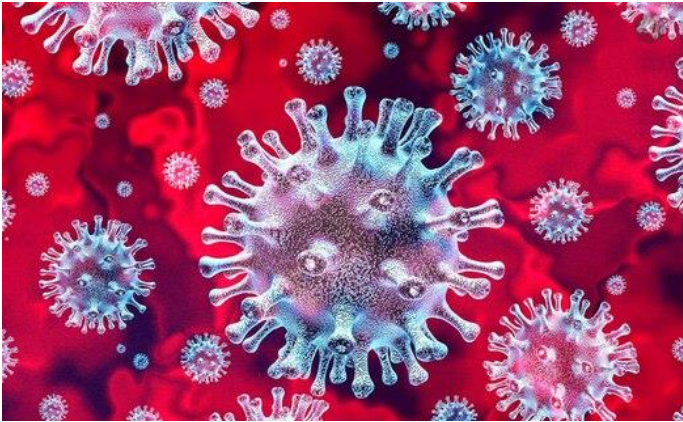
Macroeconomic objectives – spinning plates!

- GDP growth
- Stable prices
- Reduce debt
- Reduce unemployment
- Redistribute income
- Trade surplus ($X > M$)
- Reduce carbon emissions
- Plan for Brexit
- Economic response to Coronavirus



Economics - key debates

- What is Brexit?
- What effects will Coronavirus have on the Economy?
- How do they affect me?
- Who knows what the future holds
- Do you??



Government & Opposition - what do they know?

- Who is this?
- What is his job title?
- **Capitalist ideology?**



- Who is this?
- What is his job title?
- **Socialist ideology?**



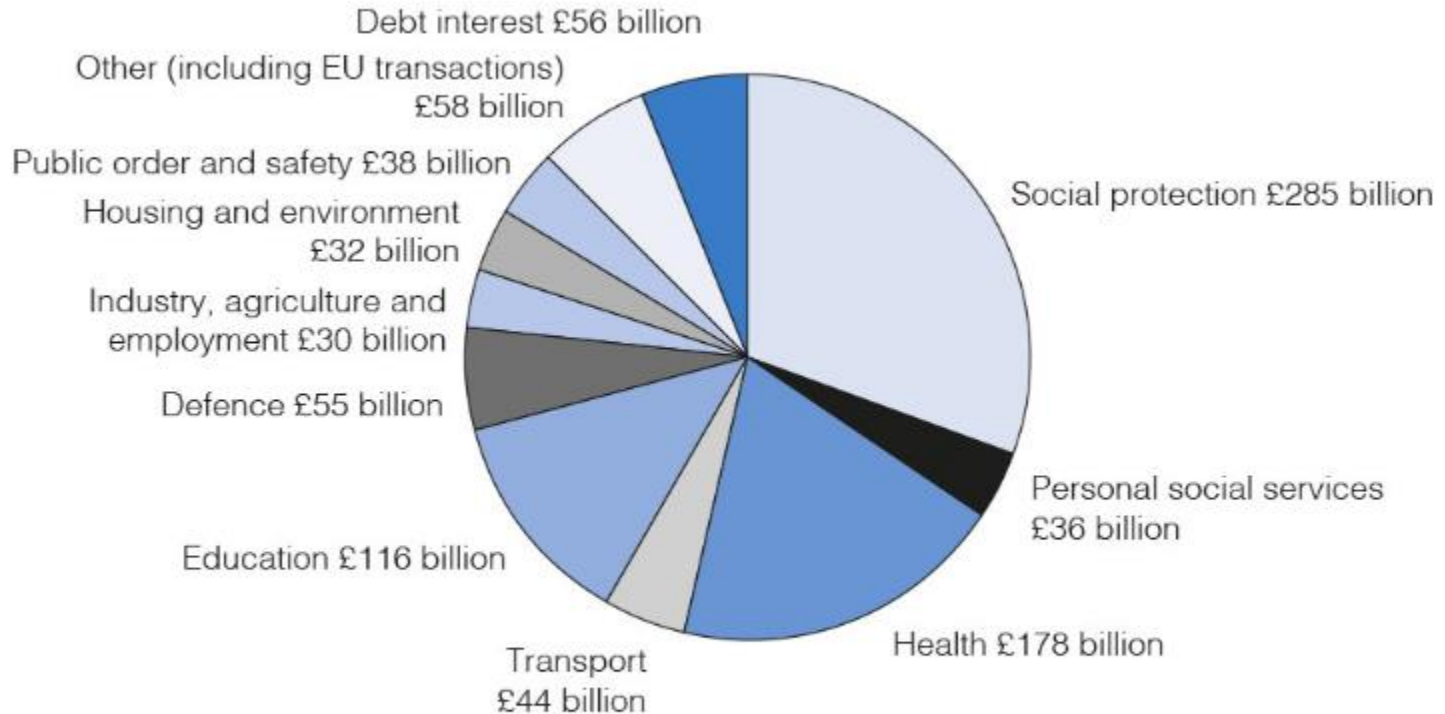
Managing the UK Economy

- Who is this?
- What is his job title?
- Who is this?
- What is his job title?



Public Spending 2020-2021

Chart 1: Public sector spending 2020-21



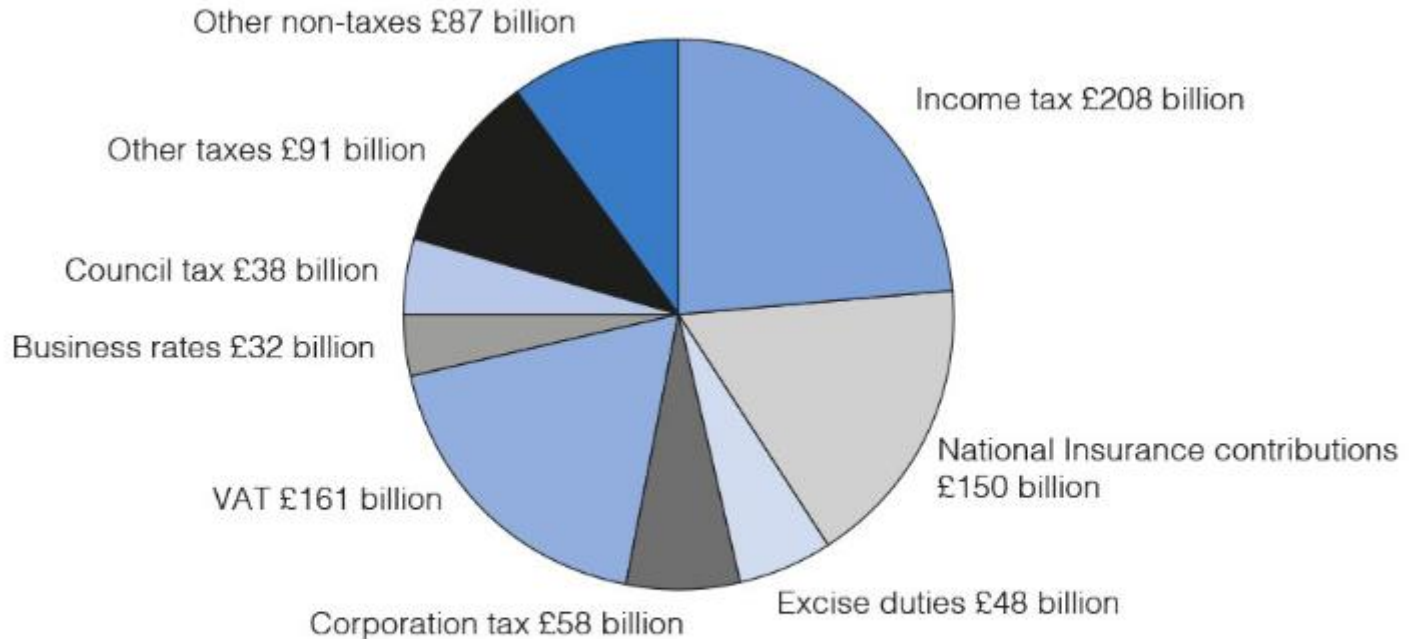
Figures may not sum due to rounding.

Illustrative allocations to functions are based on HMT analysis including capital consumption figures from the Office for National Statistics.

Source: Office for Budget Responsibility and HM Treasury calculations.

Taxation Revenue 2020-2021

Chart 2: Public sector current receipts 2020-21



Figures may not sum due to rounding.

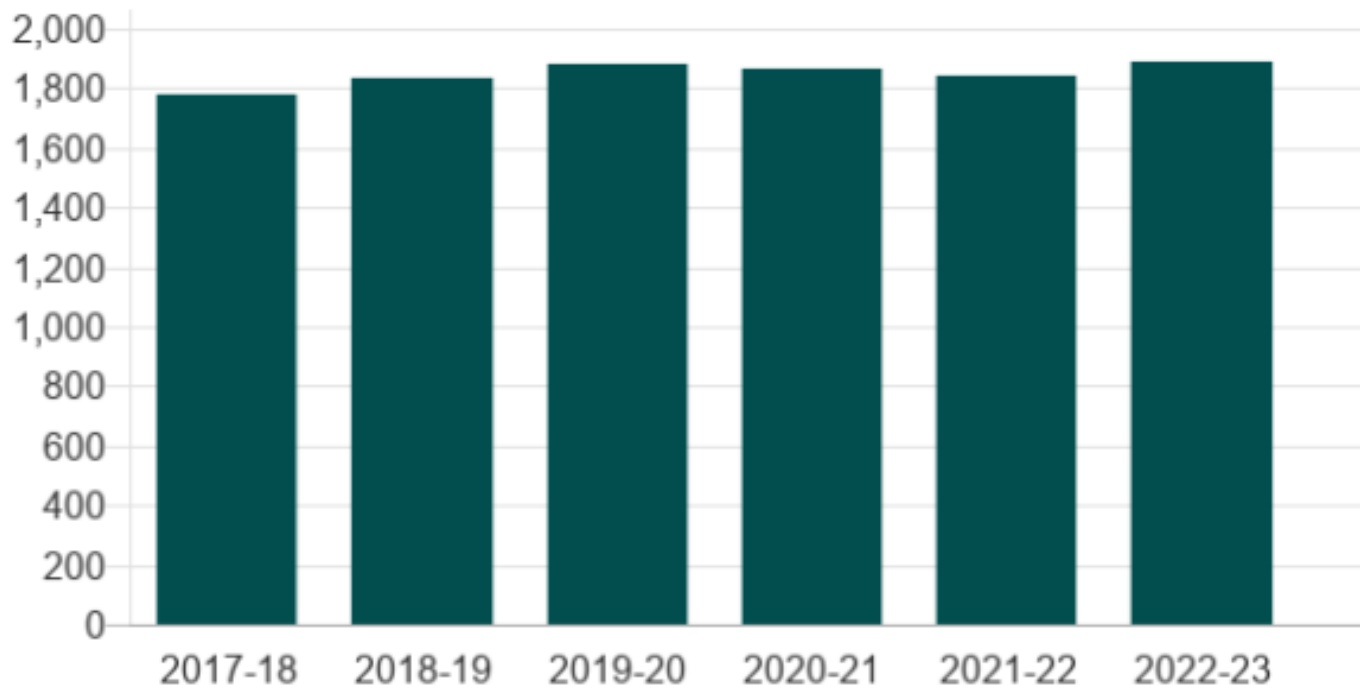
Other taxes includes capital taxes, stamp duties, vehicle excise duties and other smaller tax receipts. Other non-taxes includes interest and dividends, gross operating surplus and other smaller non-tax receipts.

Source: Office for Budget Responsibility and HM Treasury calculations.

Total Government Debt (cash value £bn)

Debt in billions of pounds still expected to rise

■ Spring Statement forecast



Source: OBR

BBC

Global Economy – opportunities and threats?

- What does the global economy of the 21st century look like?



A quick guide to the US-China trade war

© 29 June 2019



- What influence does Donald Trump have on the global economy?



Coronavirus pandemic: Tracking the global outbreak

By The Visual and Data Journalism Team
BBC News

© 4 hours ago



Coronavirus pandemic



Uncertainty over Coronavirus

Coronavirus: Chancellor Rishi Sunak warns of 'significant recession'

Source: www.bbc.co.uk/business/economy, 13th May 2020



The chancellor has said it is "very likely" the UK is in a "significant recession", as figures show the economy contracting at the fastest pace since the financial crisis.

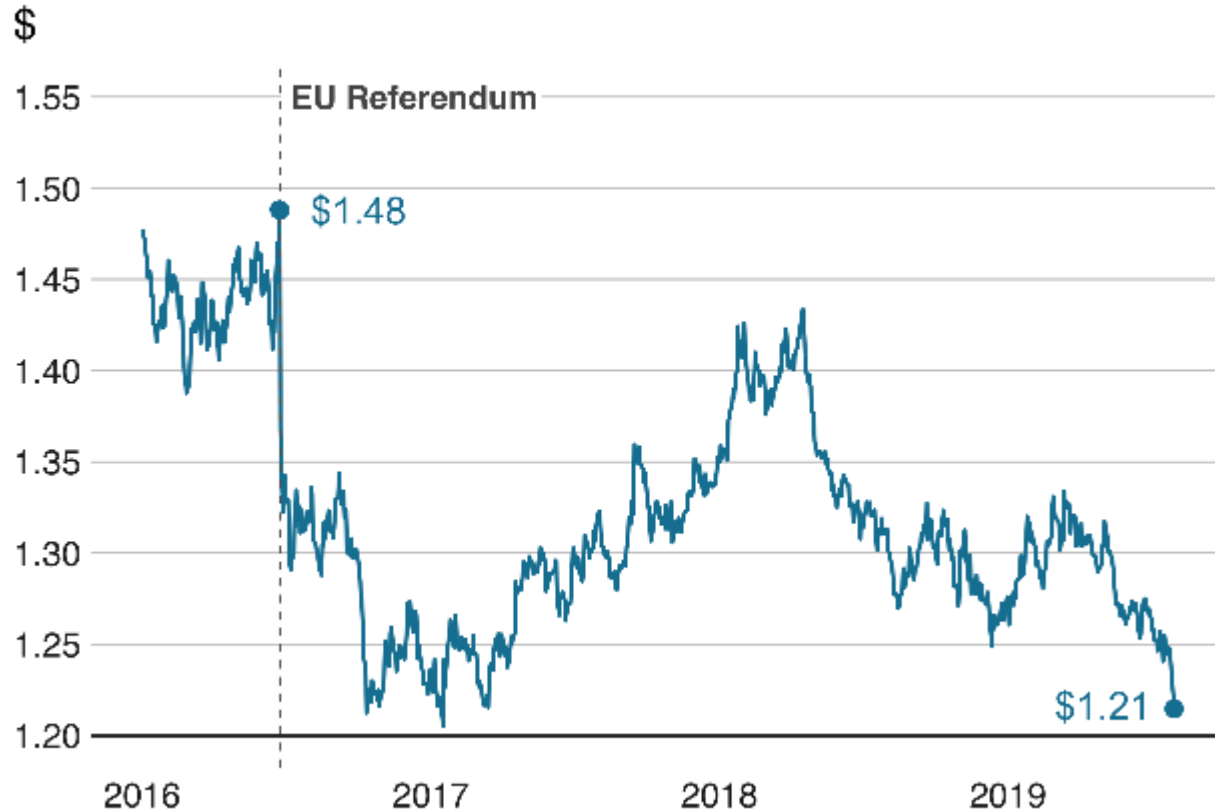
The economy shrank by 2% in the first three months of 2020, as coronavirus forced the country into lockdown.

Rishi Sunak told the BBC that just "a few days of impact from the virus" in March pushed the economy into decline.

Economists expect an even bigger slump in the current quarter.

Exchange rates – value of £ against the \$

Pound vs US dollar since January 2016



Source: Bloomberg. Last update: 30 July 2019, 08:50 BST

Discussion points:

- *Should the government spend more money of public services?*
- *How will they finance this is they do?*
- *Is Brexit is important to the UK economy? Why do you think?*
- *What are the possible impacts of Coronavirus on the Economy?*
- *Am I really bothered?*
- *Is economics a subject that interests me at A level?*

NEWS



Coronavirus pushes German economy into recession

The economy shrank 2.2% in the first three months of 2020 as the pandemic took its toll on activity.

2d | Business

LIVE

As it happened: June deadline for tests in all England care homes



Will coronavirus mean I have to pay more tax?

The pandemic will cost the government hundreds of billions of pounds. Where will it all come from?

2d | Business | 1109



Coronavirus 'could cost global economy \$8.8tn'

It comes as authorities around the world have taken aggressive action to support their economies.

2d | Business | 73



Self-employed grant claims top one million

More than one million people have applied for money from the government coronavirus help scheme.

1d | Business



WTO head quits early as global downturn looms



Government faces WW2-sized bill for tackling virus



One in four US workers claiming jobless benefits