

Pearson Edexcel A Level Economics B

18OAB05





Agenda

- Introduction and support
- Delivering the new specification
- Assessment structure and points-based mark schemes
- Assessment using levels-based mark schemes

1. Introduction





Specification at a glance

Theme 1

Markets, consumers and firms

Scarcity, choice and potential conflicts
Enterprise, business and the economy
Introducing the market
The role of credit in the economy
Market failure and government intervention
Revenue, costs, profits and cash

Theme 4

Making markets work

Competition and market power
Market power and market failure
Market failure across the economy
Macroeconomic policies and impact on firms and individuals
Risk and the financial sector

Theme 2

The wider economic environment

Business growth and competitive advantage
Firms, consumers and elasticities of demand
Productive efficiency
Life in a global economy
The economic cycle
Introduction to macroeconomic policy

Theme 3

The global economy

Globalisation
Economics factors in business expansion
Impact of globalisation on global companies
Impact of globalisation on local and national economies
Global labour markets
Inequality and redistribution



A level at a glance

Themes 1, 2, 3 and 4 are assessed through three externally examined papers:

Theme 1

Markets, consumers and firms

Theme 2

The UK wider economic environment

Theme 4

Making markets work

Theme 3

The global economy

Paper 1

Markets and how they work

Paper 2

Competing in the global economy

Paper 3

The economic environment and business



Quantitative skills

Skill	Construct or calculate	Use and interpret
Ratios and fractions	✓	✓
Percentage and percentage change	✓	✓
Mean, median and relevant quantiles		✓
Standard graphical forms	✓	✓
Index numbers	✓	✓
Cost, revenue and profit (marginal, average, totals)	✓	
Money to real terms	✓	
Elasticity	✓	✓



Linear assessment

- All synoptic rather than unitised
- Requires continual cross-referencing of concepts
- Requires teachers to continually revisit and reinforce concepts
- Thematic structure supports this approach

2. Support and delivery of Themes 1 and 2





Pearson website



[Our qualifications](#) ▼ [Subjects](#) ▼ [Support](#) ▼ [About us](#) ▼ [Contact us](#) [UK](#)  ▼



QUALIFICATIONS

[Home](#) > [Our qualifications](#) > [A levels](#) > [Economics B \(2015\)](#)

Edexcel AS and A level

Economics B (2015)



Specification

[Course materials](#)

[Teaching support](#)

[Training and events](#)

Here, you'll find everything you need to prepare for the changes to Edexcel AS and A level Economics B from 2015 (first assessment 2016 and 2017). View our draft specifications and sample assessment materials, read about the key content and assessment changes, and find out about our launch events and the other support that's available.

On this page

- ▼ [Specification](#)
- ▼ [Support for teachers](#)
- ▼ [Subject advisor](#)
- ▼ [Related qualifications](#)



Support

- A comprehensive **Getting Started** guide, with detailed guidance on the specification and assessment.
- An editable **course planner** and **scheme of work, mapping documents** and a **student guide**.
- **Past papers**, mark schemes and **exemplar work** in the examiners' reports.
- Signposted resources using **Twitter resource bank** – searchable using #EconBT1, #EconBT2.
- **Anforme textbooks**: student books for Themes 1 and 2, Teacher Guide to Theme 1, AS revision guide.



Content overview: Theme 1

Markets, consumers and firms	Highlights
1.1 Scarcity, choice and potential conflicts	<ul style="list-style-type: none">• Consumer choices and enterprise in the economy• The market economy and how market forces shape the way in which firms meet consumer demand• Roles of banks in the economy
1.2 Enterprise, business and the economy	
1.3 Introducing the market	
1.4 The role of credit in the economy	
1.5 Market failure and government intervention	
1.6 Revenue, costs, profits and cash	



1.1 Scarcity, choice and potential conflicts

- Scarcity, choice and opportunity cost
- Business objectives
- Stakeholders
- Stakeholder conflicts
- CSR



1.2 Enterprise, business and the economy

- Role of an entrepreneur in the economy
- Entrepreneurial motives
- Factors of production
- Specialisation
- The wider economic environment



1.3 Introducing the market

- Demand
- Supply
- Price determination
- Price mechanism
- Understanding the consumer
- The competition



1.4 The role of credit in the economy

- The role of banks
- Risk and liability
- Types of credit
- Sources of credit
- Other types of finance
- Other sources of finance



1.5 Market failure and government intervention

- Private and external costs and benefits
- Production and consumption externalities
- Where markets fail
- Government intervention methods
- Government failure



1.6 Revenue, costs, profits and cash

- Revenue and costs, including % change
- Break-even
- Profit as an incentive
- Statement of income
- Profitability
- Profit and cash
- Cash flow



Content overview: Theme 2

The UK economy – performance and policies	Highlights
<p>2.1 Business growth and competitive advantage</p> <p>2.2 Firms, consumers and elasticities of demand</p> <p>2.3 Productive efficiency</p> <p>2.4 Life in a global economy</p> <p>2.5 The economic cycle</p> <p>2.6 Introduction to macroeconomic policy</p>	<ul style="list-style-type: none">• How consumers are influenced by and respond to changes in prices and incomes• Small firm survival in competitive markets• Introduction to developed, emerging and developing economies



2.1 Business growth and competitive advantage

- Growth, including economies of scale
- Organic and inorganic
- Innovation and R&D
- Impact of the digital economy
- Small firm survival



2.2 Firms, consumers and elasticities of demand

- Price elasticity of demand
- Pricing strategies
- Non-price competition
- Income elasticity of demand



2.3 Productive efficiency

- Productivity
- Capacity utilisation
- Lean production
- Competitive advantage



2.4 Life in a global economy

- Globalisation
- Growth indicators
- International trade
- Exchange rates



2.5 The economic cycle

- Booms and recessions
- Circular flow, AD and AS
- Inflation
- Employment and unemployment



2.6 Introduction to macroeconomic policy

- Macroeconomic objectives
- Policy instruments
- Policy conflicts and trade-offs

Activity 1

Enterprise



3. Support and delivery of Themes 3 and 4





Support

- A comprehensive **Getting Started** guide, with detailed guidance on the specification and assessment.
- An editable **course planner** and **scheme of work, mapping documents** and a **student guide**.
- **Past papers**, mark schemes and **exemplar work** in the examiners' reports.
- Signposted resources using **Twitter resource bank** – searchable using #EconBT3, #EconBT4.
- **Anforme textbooks**: student books for Themes 3 and 4, Teacher Guide to Theme 1, AS revision guide.



Dedicated subject support

Your Subject Advisor is **Colin Leith**

Email TeachingEconomics@pearson.com

Telephone +44 (0)207 010 2182

- A GCE Economics B **Facebook group** for online networking

- **Twitter @PearsonEconBus**

as a resource bank – searchable using #EconBT1, #EconBT2, #EconBT3, #EconBT4.

- Ask the Expert service

The **chance to share resources** via an Economics B Dropbox folder – links available in monthly e-Updates. Sign up on the website.





Content overview: Theme 3

The global economy	Highlights
<p>3.1 Globalisation</p> <p>3.2 Economic factors in business expansion</p> <p>3.3 Impact of globalisation on global companies</p> <p>3.4 Impact of globalisation on local and national economies</p> <p>3.5 Global labour markets</p> <p>3.6 Inequality and redistribution</p>	<ul style="list-style-type: none">• The impact of globalisation and expansion into new markets• Global employment• Poverty and inequality



3.1 Globalisation

- Growing economies
- Trade and growth
- Trading blocs
- Trade policy and trade negotiations
- Exchange rate changes



3.2 Economic factors in business expansion

- Conditions that prompt trade
- Assessing the potential of different economies



3.3 Impact of globalisation on global companies

- Responding to global demand
- Demand-side factors in global markets



3.4 Impact of globalisation on local and national economies

- The impact on MNCs
- Ethical issues
- Controlling MNCs



3.5 Global labour markets

- Employment patterns
- Wage rates
- Minimum wage legislation



3.6 Inequality and redistribution

- Poverty and inequality
- Reducing poverty
- The impact of inequality on economic agents
- Re-distribution of income and wealth



Content overview: Theme 4

Making markets work	Highlights
4.1 Competition and market power 4.2 Market power and market failure 4.3 Market failure across the economy 4.4 Macroeconomic policies and impact on firms and individuals 4.5 Risk and the financial sector	<ul style="list-style-type: none">• Market power• Market failure and macroeconomic policies• The Global Financial Crisis



4.1 Competition and market power

- Spectrum of competition
- Barriers to entry
- Oligopoly
- Business objectives and pricing decisions
- Productive and allocative efficiency



4.2 Market power and market failure

- Market failure
- Business regulation
- Arguments for and against regulation



4.3 Market failure across the economy

- Market failure in society
- Externalities
- Policies to deal with market failure



4.4 Macroeconomic policies and impact on firms and individuals

- The AD/AS model
- Demand-side policies
- Supply-side policies
- The impact of macroeconomic policies



4.5 Risk and the financial sector

- Risks and uncertainty
- The role of the financial sector
- The role of the central bank
- The Global Financial Crisis

Activities 2 and 3



4. Assessment

Assessment structure and points-based mark schemes





Assessment objectives

		A level	
AO1	Demonstrate knowledge of terms/concepts and theories/models to show an understanding of the behaviour of economic agents and how they are affected by and respond to economic issues.	20–22%	
AO2	Apply knowledge and understanding to various economic contexts to show how economic agents are affected by and respond to issues.	22–24%	
AO3	Analyse issues within economics, showing an understanding of their impact on economic agents.	28–30%	
AO4	Evaluate economic arguments and use qualitative and quantitative evidence to support informed judgements relating to economic issues.	26–28%	



AO1: Knowledge

- **Knowledge and understanding** of a fact, a reason for something, a concept
- **Identification** of key points



AO2: Application

- Using knowledge and understanding **in context**
- Use of **data/extracts** in answer
- Use of **examples to illustrate points**
- Manipulation of data e.g. **calculations** based on data.
- Use of supply and demand diagrams – shifts



AO2: Application

When questions stipulate the use of an extract(s) students:

- must directly reference, interpret or analyse the information
- may also select relevant examples from their own knowledge.

When questions do not stipulate the use of an extract(s) students:

- must select relevant examples from their own knowledge
- may also directly reference, interpret or analyse the information given in extracts.



AO3: Analysis

- Selecting and applying the **appropriate theories/concepts**
- Identifying and explaining possible causal factors
- Identifying and explaining possible consequences
- **Diagrammatic** analysis
- A **chain of reasoning**: may be exemplified by explaining a transmission mechanism – causes or consequences



AO3: Analysis

- Explanation of a situation/issue/problem by a logical sequence of linked ideas
- Use link words such as **so, because, unless, if** and **therefore**
- Strong analysis also uses **can/could/might**



AO4: Evaluation

- Showing a **critical awareness**
- Recognising **different viewpoints** and **balance**
- Questioning **quality of the evidence**: validity and reliability
- Questioning **validity of underlying assumptions** (e.g. does correlation imply causation)
- Making **informed judgements**



Quantitative skills

- Quantitative skills are assessed:
 - through calculate and illustrate questions
 - within extended questions.
- In extended questions, students need to demonstrate quantitative skills to support their judgements.
- Will include Level 2 mathematical skills.
- Minimum of 20% of the overall marks for A level.



Short answer questions

4 marks:

Explain (K1, Ap2, An1)

Calculate (K1, Ap3)

Illustrate (K2, Ap1, An1)

6 marks :

Analyse (K2, Ap2, An2)



Points-based mark schemes

- Points-based mark schemes show how the indicative content relates to the assessment objectives being assessed in the question:
 - Knowledge and understanding; Application and Analysis.
- The mark schemes indicate the number of marks available for each assessment objective.

Activity 4

Points-based mark schemes



5. Assessment

Levels-based mark schemes





A level at a glance

Themes 1, 2, 3 and 4 are assessed through three externally examined papers:

Theme 1

Markets, consumers and firms

Theme 2

The UK wider economic environment

Theme 4

Making markets work

Theme 3

The global economy

Paper 1

Markets and how they work

Paper 2

Competing in the global economy

Paper 3

The economic environment and business



A level assessment

Paper 1

Markets and how they work

100 marks, 2 hours, 35%

Section A: data response

Section B: essay

Section C: essay

Paper 2

Competing in the global economy

100 marks, 2 hours, 35%

Section A: data response

Section B: essay

Section C: essay

Paper 3

The economic environment and business

100 marks, 2 hours, 30%

Context pre-released in November

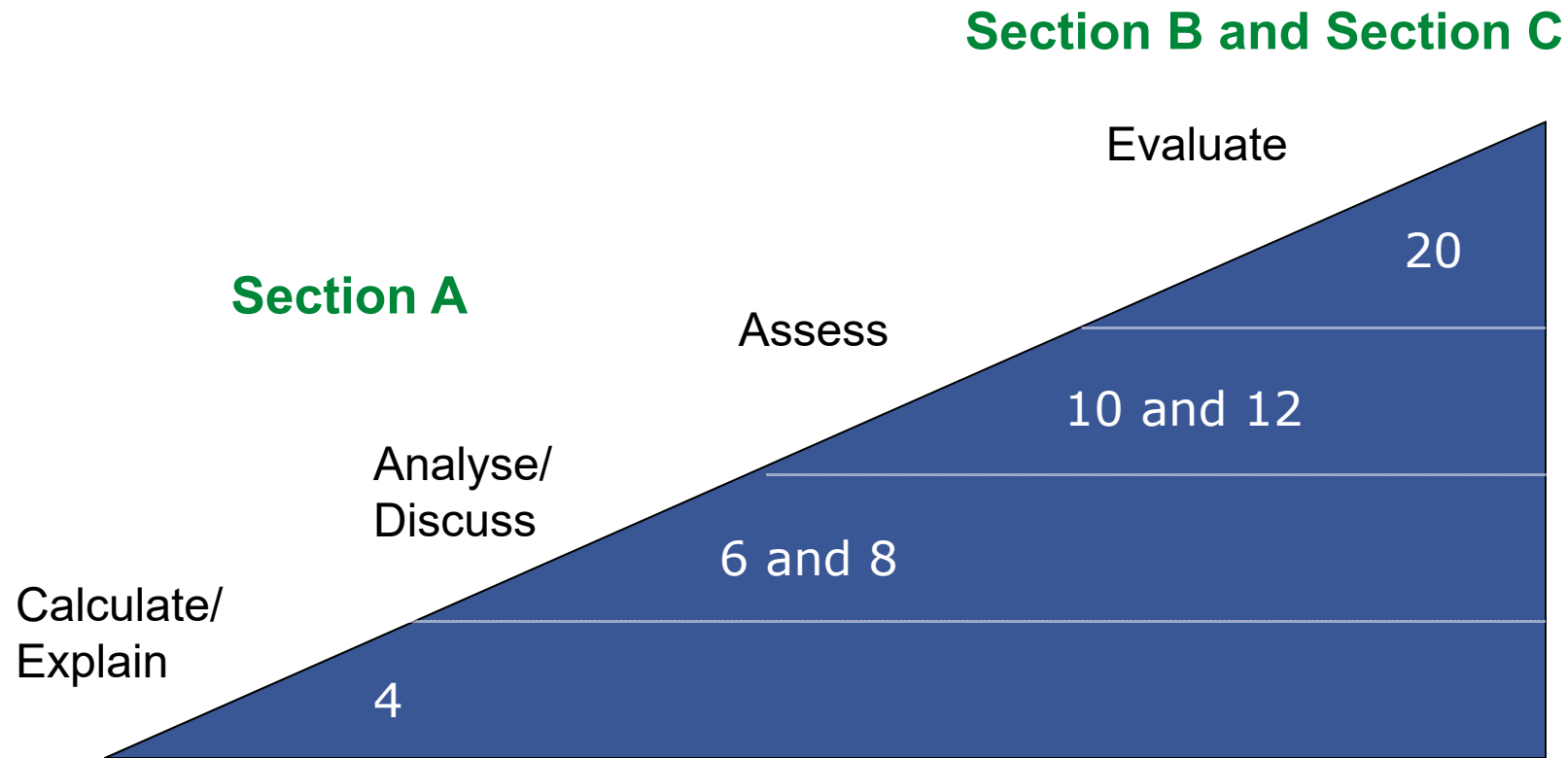
Section A: focus on the broad context

Section B: focus on a strand within the context

In each section, one data response and essay

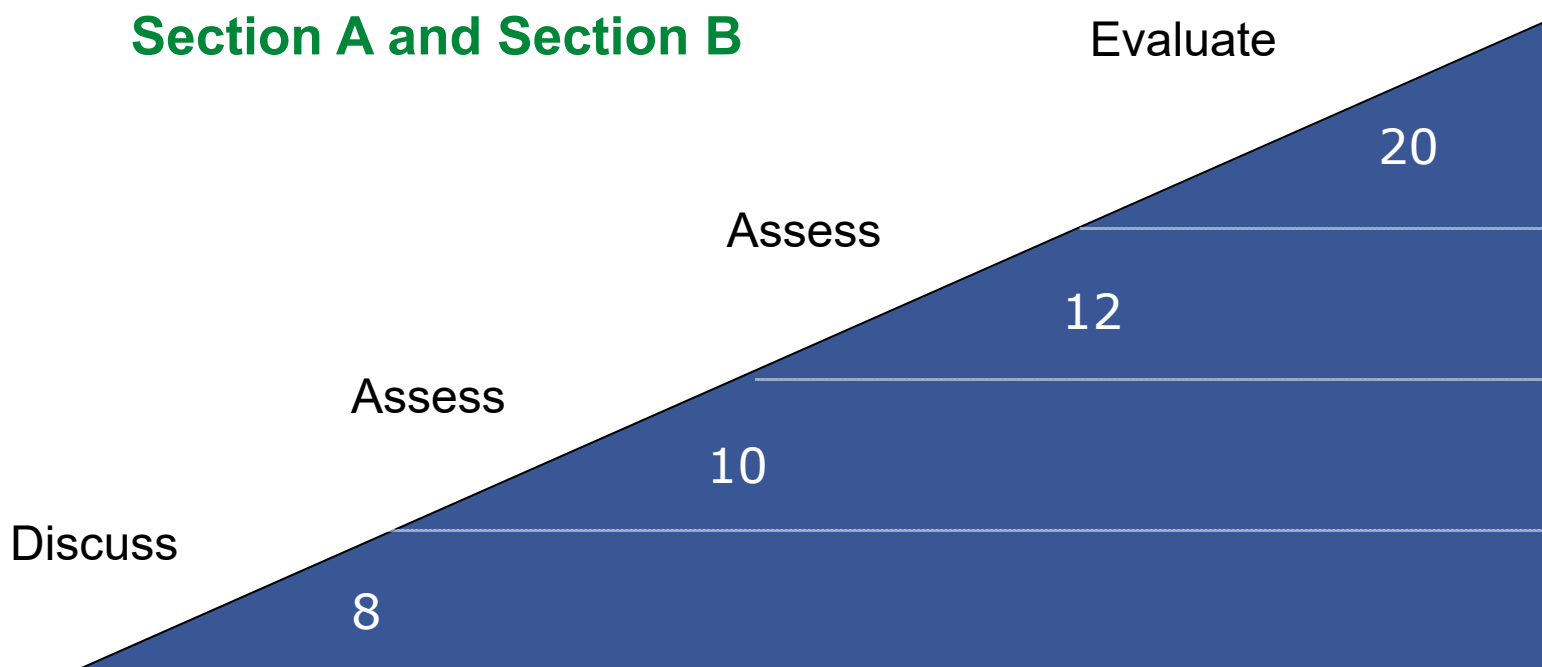


A level assessment: Paper 1 and Paper 2





A level assessment: Paper 3





Command word:

Discuss

- Accurate knowledge.
- Apply to context and/or use relevant examples.
- Analysis – factors/arguments identified and explained using logical chains of reasoning.
- Evaluation – shows balance between competing factors/arguments.



Command word:

Assess

- Accurate knowledge.
- Apply to context and/or use relevant examples.
- Analysis – factors/arguments identified and explained using logical chains of reasoning.
- Evaluation
 - shows balance between competing factors/arguments
 - relative importance of factors/arguments
 - critical of the factors/arguments.



Command word:

Evaluate

- Accurate knowledge
- Apply to context and/or use relevant examples
- Analysis – factors/arguments identified and explained using logical chains of reasoning
- Evaluation:
 - shows balance between and understanding of relative importance of competing factors/arguments
 - critical of the factors/arguments
 - judgements or conclusions made.



Extended answers

Evaluate: 4,4,6,6		
Assess: 2,2,4,4		
Discuss: 2,2,2,2		
Accurate knowledge	Accurate knowledge	Accurate and precise knowledge
Context and/or examples	Context and/or examples	Context and/or examples
Chains of reasoning	Chains of reasoning	Chains of reasoning
Balance	Points evaluated for validity and significance	Points evaluated for validity and significance
	Balance	Balanced comparisons, judgements or conclusions



Levels-based mark schemes

- Levels-based mark schemes focus on the skills being assessed.
- These mark schemes provide a consistent understanding of the skills and connections between these skills for each question type and relate directly to the taxonomies (command words) used in the assessments.
- The bands within each mark scheme clearly show the progression of these skills from the lower bands to the higher bands.



How to use the mark schemes

1. Finding the right level

- The first stage is to decide the level the answer should be placed in.
- Use a 'best-fit' approach, deciding which level most closely describes the quality of the answer.



How to use the mark schemes

2. Finding a mark within a level

- After a level has been decided on, the next stage is to decide on the mark within the level.
- Levels with 2 marks start with the presumption that the work will be at the top of the level. Move down to the lower mark if the work only just meets the requirements of the level.
- Levels with 3 or more marks should start at the middle of the level and then move the mark up or down to find the best mark.
- Take into account how far the answer meets the requirements of the level.

Activity 5

Marking activity

**Levels-based
mark schemes**



Final thoughts





Pearson is recruiting for A level Economics

We have exciting opportunities for you to become an examiner for Economics which will allow you to:

- get closer to the qualification you are teaching
- gain insight on National Standards
- grow your career.

To find out more please e-mail:

aaresourcing@pearson.com

Questions?



Thank you!

