

# AS and A level Economics A 2015

## Getting Ready to Teach



**Our Getting Ready To Teach training looks at how the new specifications can be delivered in the classroom.**

This is the presentation used in our live training events and there are embedded notes that will talk you through the specification content and assessment and will tell you what other documents you will need to access along the way. The presentation will go through:

- The structure, content and assessment of the new qualifications
- The support available to guide you through the changes
- Possible teaching and delivery strategies, including co-teaching AS and A level
- New topics for Theme 1 and Theme 2, and some activities to support teaching and delivery of these themes.

There are page references to the specification and sample assessments throughout this presentation so make sure you have these to hand.

# Specification overview



**To start, here's an overview of the new specification.**



## Specification overview

- Structured into **four** clear and coherent themes
- Historical context and debate integrated throughout the course
- Reflect today's global economy, with Theme 4 focusing on a global perspective, and developments in economics
- Retaining the real world focus
- Skills for progression with the integration of quantitative skills and extended writing
- Co-teachable AS and A level

### **The new specification is structured into four themes.**

These themes are designed to enable students to build on their knowledge and understanding as they progress through the course. As well as supporting students through the course of study, this also becomes a useful revision tool and preparation for linear exams as students are revisiting and building on prior knowledge. The first two themes are the same in the AS and A level to support co-teaching these qualifications – we'll focus on what co-teachability means for you and your students later on.

The specifications select aspects of economic history to inform macroeconomic debate and provide context to economic issues. The content demonstrates how economic events can be interpreted in different ways and how they impact on more recent economic events. The inclusion of references to economic thinkers supports the understanding that there are different perspectives in economics, with different ways of approaching economic issues. References to current economic policies and issues, and the requirement to develop an awareness of recent events are outlined in the specification.

Building on a popular aspect in our current specification, the new course has a global focus in Theme 4. This theme focuses on macroeconomics in the global context, with particular reference to emerging and developing economies. This demonstrates how economic concepts and theories can be applied in different and real world contexts. The global emphasis is an engaging topic for students and has plenty of opportunities for bringing in up-to-date and exciting contexts.

All of our assessments continue to be based on real data and real issues. This helps provide stimulating assessment materials to cover a wide range of economic issues for students to engage with.

Our research with universities told us that skills for progression were an essential part of A level and they advised us to focus on transferable skills development, namely extended writing, quantitative skills and independent research and reading, which are seen as vital for university preparation.



## Specification at a glance

<p><b>Theme 1</b> <b>Introduction to markets and market failure</b></p> <p>The nature of economics How markets work Market failure Government intervention</p>	<p><b>Theme 2</b> <b>The UK economy – performance and policy measures</b></p> <p>Measures of economic performance Aggregate demand Aggregate supply National income Economic growth Macroeconomic objectives and policy</p>
<p><b>Theme 3</b> <b>Business behaviour and the labour market</b></p> <p>Business growth Business objectives Revenues, costs and profits Market structures Labour market Government intervention</p>	<p><b>Theme 4</b> <b>A global perspective</b></p> <p>International economics Poverty and inequality Emerging and developing economies The financial sector Role of state in the macroeconomy</p>

### Here are the four themes.

Theme 1 introduces students to markets and market failure, while Theme 2 focuses on performance and policy measures in the UK economy. As such, Theme 1 has a broadly microeconomic focus and Theme 2 has a broadly macroeconomic focus. These themes have the same content in both the AS and A level qualification.

Theme 3 builds on the content in Theme 1, exploring business behaviour and the labour market. Theme 4 has a global focus and builds on Theme 2 content.



## AS at a glance

Theme 1 and Theme 2 are assessed through two externally examined papers:

<b>Theme 1</b> Introduction to markets and market failure	<b>Theme 2</b> The UK economy – performance and policies
<b>Paper 1</b> Introduction to markets and market failure	<b>Paper 2</b> The UK economy – performance and policies

### Here is a summary of the AS course.

There are two externally examined papers for the AS qualification; Theme 1 is assessed in Paper 1 and Theme 2 is assessed in Paper 2.

The content for Theme 1 and Theme 2 is the same for the AS and A level qualifications. This means that even though the AS and A level qualifications are separate, you can co-teach them – more on this later.



## A level at a glance

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

<b>Theme 1</b> Introduction to markets and market failure	<b>Theme 2</b> The UK economy – performance and policies
<b>Theme 3</b> Business behaviour and the labour market	<b>Theme 4</b> A global perspective
<b>Paper 1</b> Markets and business behaviour	<b>Paper 2</b> The national and global economy
<b>Paper 3</b> Microeconomics and macroeconomics	

### Here is a summary of the A level course.

There are three externally examined papers for the A level qualification; Theme 1 and Theme 3 are assessed in Paper 1, Theme 2 and Theme 4 are assessed in Paper 2, and paper 3 assesses content from across the entire course, bringing all the concepts together. Paper 3 can be viewed as the synoptic paper.



## 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	✓	✓

### **A new requirement for all new Economics A levels is quantitative skills.**

All awarding organisations will assess these quantitative skills in their new courses. The assessment of these skills will include at least Level 2 (GCSE A\*-C) mathematical skills and will account for a minimum of 20% of the total marks in the A level and 15% of the total marks in the AS level.

Students will already be familiar with most of these skills through their study of GCSE Maths and it is important to demonstrate how these mathematical skills are relevant to economics. We'll look at how we have approached quantitative skills in our specification later on.

## Support overview



**Before we go through the new course in more detail, we're going to introduce the range of support we have available.**



## 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**
- **Extra assessment materials** for A level for use in formative assessments and mocks
- **Exemplar student work** and **examiner commentaries** generated from work with A level students and centres
- More **training** in 2016 to prepare for Themes 3 and 4, and to support with mocks
- **ResultsPlus** for tracking student progress
- Subject advisor **Colin Leith**

**All of these support materials available FREE on our website**, all of which can be accessed from this page:

<http://qualifications.pearson.com/en/qualifications/edexcel-a-levels/economics-a-2015/teaching-support.html>

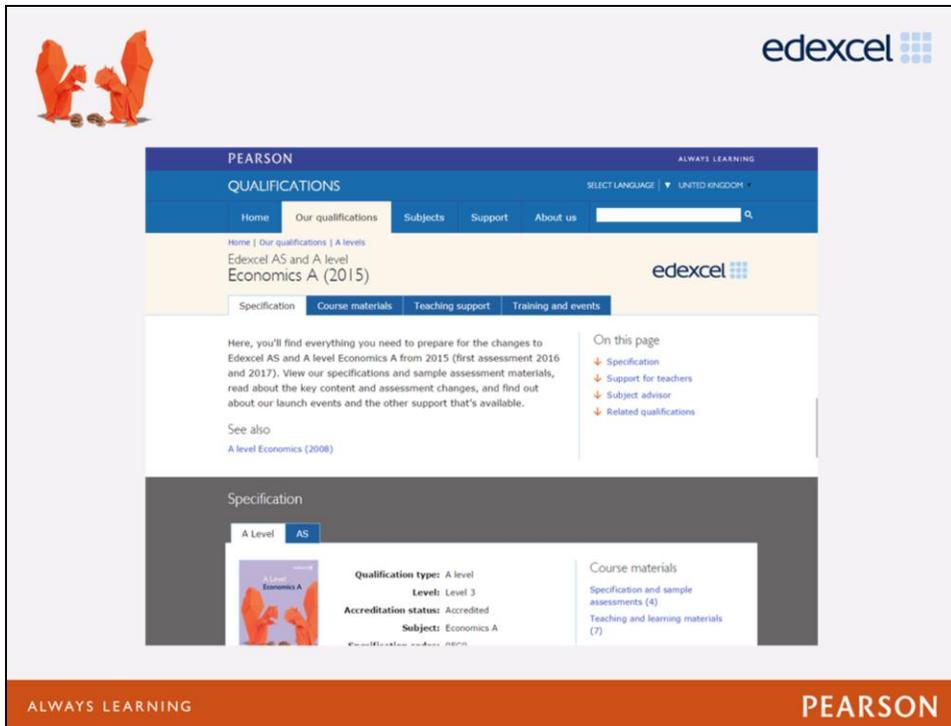
- Our **Getting Started Guide** provides an overview of the new AS and A level specifications to help you get to grips with the changes to content and assessment, and to help you understand what these changes mean for you and your students. The guide includes suggested teaching and learning approaches for each theme in the specifications.
- Editable **course planners** can be adapted to fit your timetabling and staffing arrangements. There is a **thematic course planner** which broadly follows the order in which content is set out in the specification and is designed to support those planning to co-teach AS and A level. The **integrated course planner** is a suggested approach for those intending not to co-teach the AS level qualification.
- Whether you're thinking of staying with or switching to Pearson Edexcel for the 2015 AS and A level Economics specifications, **Specification Mapping** documents are easy reference guides to help you identify key comparisons and differences between the 2008 and 2015 specifications.
- Suggested activities and teaching points are included in an editable **scheme of work** to support you in planning to teach the new course.

- **Case studies** and **practice questions** for some of the new specification topics – including economic thinkers, national happiness and the financial sector – will support you in planning and delivering some of the new content areas.
- Our **options evenings materials** will help you discuss the new AS and A Level Economics specification with students and parents, and explore the different pathways and careers our qualification can provide.
- **Exemplar** student work and examiner commentaries will support you in understanding the new standard. The student work has been generated by A level leavers trialling the new assessments. We are also working on **specimen papers** so you will have a set of A level papers to use as mocks when you start teaching in September.
- Make the most of our free **ResultsPlus** service for tracking your students' progress. ResultsPlus is a free online results analysis tool for teachers that gives you a detailed breakdown of your students' performance in Edexcel exams. Widely used by teachers across the country, ResultsPlus provides the most detailed analysis available of your students' performance and helps you to identify topics and skills where your students could benefit from further learning, helping them gain a deeper understanding of their subject. You can find out more about ResultsPlus here:  
<http://qualifications.pearson.com/en/support/Services/ResultsPlus.html>
- We are also launching our **examWizard** service for A level Economics. examWizard is a free online resource for teachers containing a bank of past paper questions and support materials to help you create your own mock exams and tests. Find out more here:  
<http://qualifications.pearson.com/en/support/Services/examwizard.html>

Our national **training** programme of events will continue to provide you with training solutions when you start teaching the new specification in 2015. Watch out for support with Themes 3 and 4 as well as training for mocks marking in 2016. See all our events here:

<http://qualifications.pearson.com/en/support/training-from-pearson-uk.html>

And of course our subject advisor for economics, **Colin Leith**, is always here to help. Colin's contact details can be found towards the end of this presentation.



**This is the main AS and A level Economics subject page.**

All of the free support materials are available to download from the Economics pages of our website. To find this page, go to Qualifications, A levels, Economics A.

- Choose the “Specification” tab to download copies of the specification and sample assessment materials, summary information about the reforms and introduction to the course. Scroll down to find contact information for Colin, links to our subject community and subject pages.
- The “Course materials” tab is the place to access all the documents.
- The “Teaching support” tab gives you a clear overview of all the support we have available.
- The “Training and events” tab provides a quick link to the training events we have on offer.



## Endorsed resources

We are committed to helping teachers deliver our Edexcel qualifications and students to achieve their full potential.

To do this, we aim for our qualifications to be supported by a wide range of high-quality resources, produced by a range of publishers, including ourselves.

However, it is not necessary to purchase endorsed resources to deliver our qualifications.

**We are also working with publishers on endorsed resources.**

However, it is not necessary to purchase endorsed resources to deliver our new qualification.



## Endorsed resources

We are working with a range of publishers who are looking towards getting their resources endorsed for Economics:

- **Hodder:** a textbook for Themes 1 and 2, and for Themes 3 and 4, digital resources, revision, student guides and workbooks
- **Pearson:** a textbook for AS and A level and digital resources
- **ZigZag Education\*:** course companions and quantitative skills packs

**\*These resources have not yet been endorsed. This information is correct as of July 2015, but may be subject to change.**

**Here is a summary of the publishers we are working with.**

If you would like to find out more about these resources, please view the leaflets we have included on our website as part of these training materials. Please follow the links in the leaflets to find out more.

## Co-teaching and delivery approaches



**Earlier, we said that we've designed our AS and A level qualifications to be co-teachable.**

We're now going to look at co-teachability in more detail. If you have any questions about co-teaching the AS and A level, have a look at our training FAQs which are available on our website as part of these training materials.



## AS and A level: key points

- AS and A level have been 'decoupled'
- Students can still take AS exams at the end of Year 12; however, the grade obtained does not contribute towards the overall A level grade
- A level assessments will be set at a higher level of demand than AS assessments

### **First, here is a summary of the regulatory changes to AS and A level from 2015.**

AS and A levels have been decoupled, which means that the AS qualification will no longer 'count towards' the A level grade. Students can still take AS assessments and progress to A level, but they will need to sit all three A level papers at the end of the course to achieve an A level grade.

We have designed our specification to be co-teachable so you continue to offer your students an AS qualification and enable them to progress to the full A level.



## Why offer AS?

- Breadth is important to students
- Some students will make the decision later
- AS gives focus to Year 12 and would allow you to track student progress
- AS gives universities visibility of a student's progress in a subject

### **As an AS grade no longer counts towards an A level grade, why offer AS?**

Some students may wish to supplement a three A level programme of study with an additional AS in Economics. This may be important to your students as it will continue to provide them with breadth of study. Alternatively, some students might start four A levels, knowing they will 'drop down' to three A levels in year 2. In this scenario, they may wish to postpone their decision until they have taken one or more AS qualifications and seen the results. Students who unexpectedly leave the course after the first year will have an AS qualification.

Starting with the AS content gives a focus for Year 12 study and taking an AS qualification at the end of Year 12 could provide a useful way of tracking student progress at the end of the first year.



## Option 1: co-teaching

- Co-teaching AS and A level provides flexibility for your students
- Theme 1 and Theme 2 are delivered in the first year
- Students can take the AS or mock for Themes 1 and 2 at the end of the first year
- The themes could be run in parallel or taught sequentially

**If you plan to offer students the AS qualification you might decide to co-teach AS and A level.**

This means that AS and A level students will be taught in the same class in Year 12. Have a look at our suggested AS and A level (Thematic) course planner which shows how the course could be structured for co-teaching, i.e. following the structure of the specification:

<http://qualifications.pearson.com/en/qualifications/edexcel-a-levels/economics-a-2015.coursematerials.html#filterQuery=Pearson-UK:Category%2FTeaching-and-learning-materials>

The skills students will learn in AS and A level are the same (for example, the requirements within a 10-mark 'assess' question are consistent) and more complex theories are introduced in Theme 3 and Theme 4 to prepare students for the A level assessments at the end of the course.



## Option 2: separate classes

- Separate AS and A level classes or A level only give you more flexibility in structuring the course
- There are greater opportunities for students to make links between different elements of the course as they progress
- There is more time for teaching and learning in the first year (no exams)

### **Alternatively, you might decide to run separate AS and A level classes.**

This would allow you to cover the themes and topics in whichever order you like! We also have an A level course planner (Integrated) which shows how the course could be structured for A level only on our website. This planner shows the preferences of the writer but you could of course edit the course planner to suit your teaching and your students.

There is more information about co-teaching in our **Getting Started Guide**, available here:

<http://qualifications.pearson.com/en/qualifications/edexcel-a-levels/economics-a-2015.coursematerials.html#filterQuery=Pearson-UK:Category%2FTeaching-and-learning-materials>

# Planning teaching approaches



**Linear qualifications with all exams taken at the end of the course may require different teaching approaches.**

These slides introduce some things you might like to think about – or things you might do already!



## Building confidence

- For most students Economics is a new subject and very different from others they have studied in the past
- Therefore, it is important to build confidence. Initially, this may be done by setting achievable tasks for the vast majority
- Often using tasks based on simple steps is an aid to understanding
- Real-life contexts that students can relate to should be used to exemplify how economics 'works'

**For most students, economics is a new subject for A level and is very different from other subjects they've studied at GCSE.**

Linking the economic theory to real-life contexts, news stories and data can show students how 'economics works' and support them in building confidence with the subject from the very beginning. Many students have told us that they choose economics because it's relevant to what they see in the news so introducing this from the outset helps to reinforce that the subject is all around them.



## Building interest

- The specification places emphasis on relating theories and concepts to real world situations
- For example, the prelude to Theme 2 says:  
"Students should have knowledge of the UK economy in the last 10 years".
- So, from the very beginning, it is good practice to use current issues/events as a basis for introducing particular areas of the syllabus.
- Think of some current topics relevant to each of the four themes

### **Linked to building confidence is building student interest in the subject.**

As we've mentioned, linking the economic theory to real-world situations students are aware of can help to build enthusiasm for the subject. The specification content has been updated to reflect developments and current issues in economics. For example, the introduction of the financial sector supports student understanding of recent economic events and the 2008 Global Financial Crisis. The inclusion of some introductory ideas in behavioural economics ensures students develop an understanding of more recent economic thinking.



## Writing extended prose

You could give a framework for the answer:

- Introduction – definitions, setting the parameters
- Body of answer – divided into paragraphs, e.g.:
  - Factor/issue 1: identify, explain, analyse.  
Then evaluation/critical eye over preceding points
  - Factor/issue 2: etc
- The final paragraph might be a conclusion or synthesis of the arguments – it should not be a repetition of points made previously

### **We introduced earlier that we've included skills for university progression.**

As part of this, our papers have a range of extended writing questions (ranging from 8 to 25 marks in the A level) and there will be plenty of opportunities for students to practise their extended writing. Remember that as A levels are now linear qualifications, all assessments are taken at the end of the course so students develop extended writing throughout the course of study. Our research showed that universities were keen for A level students to develop extended writing skills, demonstrating their ability to build and sustain economic arguments.



## Thinking skills

- From the start of the course it is desirable to develop thinking skills
- The course should help students to develop the ability to think critically about:
  - theories and models (and assumptions on which they are based)
  - data
  - policies pursued by governments
  - ideologies promoted by pressure/interest groups
  - the implications of a particular course of action

### **Our research with HE showed that critical thinking is one of the key skills universities are looking for in economics students.**

Universities want students to appreciate that there is not always a right answer and that economics can be debated. By developing the ability to “think like an economist”, students will have a toolkit of concepts which they can apply to a range of familiar and unfamiliar contexts as they progress through A level and into further study.

The content of our specification supports students to develop enquiring minds, for example:

- aspects of economic history have been integrated throughout the course to support contextual awareness and inform macroeconomic debate; this content also demonstrates how economic events can be interpreted in different ways and how they impact on more recent economic events
- the inclusion of reference to economic thinkers supports the understanding that there are different perspectives in economics, with different ways of approaching economic issues
- references to current economic policies and issues, and the requirement to develop an awareness of recent events are outlined in the specification.

Throughout the course you could use a range of questioning techniques to support students in developing as economic thinkers, for example:

- allowing time for thinking
- closed/open questions
- asking several students without revealing answer (or not revealing answer at all)
- demanding a reason to explain correct response
- exploring why an incorrect response is wrong
- when setting written work, you could set at least one question that isn't straightforward to encourage students to debate different viewpoints.



## Quantitative skills

- Quantitative skills are integrated throughout the themes
- Students develop these skills **in context** throughout the course
- This can be supported through the use of real data in case studies

### **Students are required to develop and demonstrate competence in quantitative skills for economics.**

It's important for these skills to be applied to relevant economic contexts to ensure students develop an holistic understanding of the application of quantitative skills to economics – this isn't about 'doing lots of maths' in isolation but using appropriate quantitative skills in the appropriate economic contexts. Students will already be familiar with most of the skills through their study of GCSE Maths and it is important to demonstrate how these mathematical skills are relevant to the study of economics.

In addition to the content requirements in the specification, these skills can also be developed through the use of stimulus material and case studies, providing opportunities for students to apply a range of quantitative skills to analyse real economic issues. This stimulus material should take the form of both qualitative and quantitative information.



## 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

**Our thematic structure enables students to develop knowledge and understanding as they progress through the course.**

This means that they are encouraged to reinforce concepts they have studied at the beginning of the course later on. For example, students are introduced to economics through building knowledge and application of microeconomic and macroeconomic concepts in Theme 1 and Theme 2, with breadth and depth of knowledge and understanding, and applications to more complex concepts and models developed in Theme 3 and Theme 4. This supports continuous progression throughout the whole A level course of study.

# Assessment objectives



**We're now going to look more closely at the skills students will develop through studying economics.**



## Assessment objectives

		A level	AS
<b>A01</b>	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	22-24%	28-30%
<b>A02</b>	Apply knowledge and understanding to various economic contexts to show how economic agents are affected by and respond to issues	22-24%	28-30%
<b>A03</b>	Analyse issues within economics, showing an understanding of their impact on economic agents	26-28%	20-22%
<b>A04</b>	Evaluate economic arguments and use qualitative and quantitative evidence to support informed judgements relating to economic issues	26-28%	20-22%

**This slide summarises the weightings of each assessment objective in our AS and A level assessments.**

AS and A level assessments are set at a different level of demand, which is reflected in the weightings. We have a greater weighting on knowledge and understanding (AO1) in AS and a greater weighting on analysis and evaluation (AO4) in the A level.



## AO1: knowledge

- **Knowledge and understanding** of concepts, principles, models
- **Identification** of key points

**AO1 focuses on knowledge and understanding.**

This includes demonstrating knowledge and understanding of concepts, principles and models, and 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

### **AO2 focuses on application.**

This includes demonstrating knowledge and understanding in familiar and unfamiliar contexts; for example the use of data and extracts, using topical and relevant economic examples to illustrate points, performing calculations and using diagrams.



## A03: analysis

- Selecting and applying the **appropriate theories/concepts**
- A **chain of reasoning**: may be exemplified by explaining a transmission mechanism e.g. the effects of investment in infrastructure
- Could be demonstrated by use of **diagrams** which are explained fully and integrated into the analysis

### **A03 focuses on analysis.**

This includes selecting and applying theories and concepts to explain points, identifying and explaining causes and consequences, and chains of reasoning. Diagrammatic analysis relates to explaining possible causes and consequences using, for example, supply and demand diagrams.



## A03: 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**
- Questioning **quality of the evidence**: validity and reliability
- Questioning **validity of underlying assumptions** (e.g. does correlation imply causation)
- Making **informed judgements**

### **AO4 focuses on evaluation.**

This includes demonstrating awareness of different viewpoints, showing balance, questioning the validity of assumptions and quality of evidence and making informed judgements.



## Quantitative skills

- Quantitative skills are assessed:
  - through short answer questions, e.g. calculate and illustrate questions
  - within extended questions
- In extended questions, students use quantitative skills as part of their evidence to support knowledge, application, analysis and evaluation
- Will include Level 2 mathematical skills
- Minimum of 20% of the overall marks for A level (15% for AS)

### **We introduced the new quantitative skills requirements earlier.**

Now we're going to focus more on how the quantitative skills have been addressed in our specification. Where appropriate, the quantitative skills have been included within the specified content in each theme of the specification. Have a look **at page 91 of the Getting Started Guide** for a table which captures the direct references to the quantitative skills within the specification content and makes suggestions of where these skills may be further developed through application to wider economic contexts. These examples are not exhaustive and there are opportunities for students to develop these skills throughout the specification content – students should be encouraged to practise and apply these skills throughout each theme.

The skills can also be developed through the use of stimulus material and case studies, providing opportunities for students to apply a range of quantitative skills to analyse real economic scenarios. This stimulus material should take the form of both qualitative and quantitative information.

We've approached the assessment of quantitative skills in two main ways: 1) as standalone 'calculate' or 'illustrate' questions and 2) within extended questions. You can see some examples of these approaches in our sample assessments.

1. To see an illustrate question, open **the AS sample assessment materials and see Paper 1 Q2c on p9; see p26 for the mark scheme**
2. To see a calculate question, open **the AS sample assessment materials and see Paper 2 Q2b on p45; see p62 for the mark scheme** and/or **the A level sample assessment materials and see Paper 1 Q2a on p8; see p30 for the mark scheme**
3. To see an example of quantitative skills being assessed within an extended answer question, open **the A level sample assessment materials and see Paper 1 Q6c on p20; see p36-38 for the mark scheme.**

In this last example, there are 4 marks (4/12) allocated to QS4 (construct and interpret a range of standard graphical forms) and indicative content for the quantitative skills are included. In each series **at least** 15% of the overall AS marks and 20% of the overall A level marks will be accounted for by the assessment of these skills.

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# AS assessment



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**Let's look at the AS assessment in more detail.**



## AS assessment

### Paper 1

Introduction to markets and market failure

80 marks, 1.5 hours, 50%

Section A: multiple choice and short answer

Section B: data response and one essay (one from two essays)

### Paper 2

The UK economy – performance and policies

80 marks, 1.5 hours, 50%

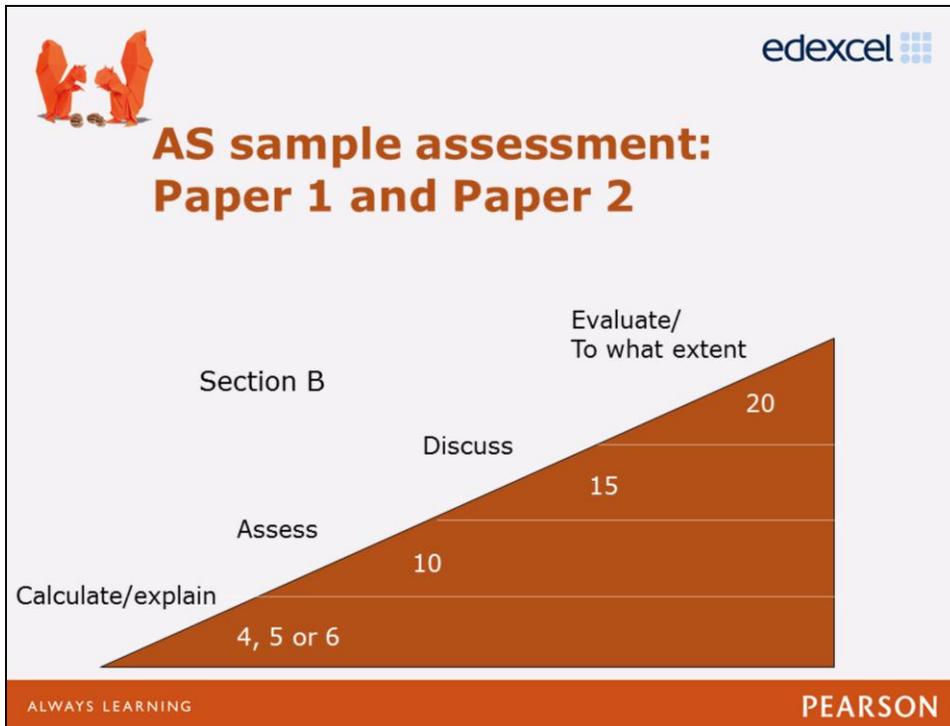
Section A: multiple choice and short answer

Section B: data response and one essay (one from two essays)

**As we introduced earlier, there are two exam papers for AS.**

These two papers draw on content across the full AS course, with Paper 1 focusing more on microeconomics from Theme 1 and Paper 2 focusing more on macroeconomics from Theme 2.

Each paper is structured in two sections and section B is based on stimulus material. The final question on each paper is an extended writing question worth 20 marks. Students answer one essay question from a choice of two.



**You'll see that AS Paper 1 and Paper 2 have a consistent structure.**

The papers have two sections; Section A comprises a mix of short answer questions; for example, multiple choice, define, calculate or illustrate and explain. Section B questions are based on extracts and have calculate or explain, assess, discuss and evaluate questions. The evaluate questions are marked out of 20 and students will answer one from a choice of two questions.

A taxonomy for economics has been defined and will be applied consistently to ensure students are rewarded for demonstrating the appropriate skills for the subject. Careful consideration has been given to the taxonomies associated with particular question types to ensure that assessment objectives are targeted consistently across questions. The variety of command words used has been reduced to provide clarity and consistency in the skills business students are expected to display in the assessments.



## AS sample assessment: Section A

- Section A has 20 marks
- There are 5 x 4 mark questions
- 4 mark questions comprise more than one part, e.g:
  - 1 (m/c) + 3
  - 1 (m/c) + 1+ 2

**The short answer questions in Section A comprise multiple parts.**

Each question might therefore comprise a range of multiple choice, define, calculate or illustrate and explain questions. There are also some short answer questions in Section B. These are 4, 5 or 6 mark explain and/or calculate questions.



## Extended answers

		Evaluate: 4,4,6,6
	Discuss: 3,3,3,6	Accurate and precise knowledge
Assess: 2,2,2,4 Accurate knowledge	Accurate knowledge	Context and/or examples
Context and/or examples	Context and/or examples	Evidence integrated
Appropriate application	Appropriate application	Appropriate application
	Chains of reasoning	Chains of reasoning
Context Balance	Context Balance	Context Balance Substantiated judgements

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**Skills based mark schemes have been developed for extended open response questions (10, 15 and 20 mark questions).**

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 papers. The bands within each mark scheme clearly show the progression of these skills from the lower bands to the higher bands. Focusing on the skills students are required to demonstrate within each command word ensures that wording is clear, reduces reliance on subjective statements such as 'some analysis' and reflects how teachers and examiners describe the qualities of student work, meaning the expectations are clear for teachers and for markers. There is a skills-based mark scheme for each of the command words and these will be applied consistently.

This slide summarises the descriptors within 'assess', 'discuss' and 'evaluate' questions. It shows that the breakdown of assessment objectives is consistent with, for example, 15-mark discuss questions requiring greater emphasis on knowledge and understanding, application, analysis and evaluation than 10-mark assess questions. The next slides look at these skills in more detail.



## Assess

- Accurate knowledge and understanding
- Apply to context and/or use relevant examples
- Use of economic theory applied appropriately
- Evaluation
  - supported by chains of reasoning
  - in context
  - balanced

**Assess questions usually have a narrower focus (in terms of content or context) than discuss questions, which are broader.**

This is reflected in the smaller mark tariff (10 marks) for assess questions.



## Discuss

- Accurate knowledge and understanding
- Apply to context and/or use relevant examples
- Use of economic theory applied appropriately
- Logical chains of reasoning
- Evaluation
  - supported by relevant reasoning
  - in context
  - balanced

**Discuss have a broader focus so students must carefully select and appropriately apply the relevant economic theory to the question.**

In the discuss question students are required to develop a chain of reasoning within their analysis. This question is broader than a 10 mark assess question, where the chains of reasoning support evaluation.



## Evaluate/To what extent

- Accurate knowledge and understanding
- Apply to context and/or use relevant examples
- Evidence fully and reliably integrated
- Use of economic theory applied appropriately
- Logical and coherent chains of reasoning
- Evaluation
  - supported by chains of reasoning
  - in context
  - critical awareness
  - informed judgements

### **Evaluate questions also have holistic mark schemes.**

Students are also required to demonstrate accurate knowledge, application to economic contexts and logical chains of reasoning. As might be expected, the differentiator in an 'evaluate' question is the evaluation required. Here, evaluation should be supported by chains of reasoning, be in context, show critical awareness and include informed judgements.

## Marking activity



**To see this in practice, have a look at the marking activity which can be downloaded from the training materials.**

This marking activity has two student responses to a 10-mark and a 20-mark question in the AS sample assessments. It should be noted that these marks are for guidance only – they have not been standardised so are subject to change.

Our AS exemplar booklet includes sample student responses to all the AS sample assessments so download these for further guidance. You can download the booklet here:

<http://qualifications.pearson.com/en/qualifications/edexcel-a-levels/economics-a-2015/teaching-support.html>

# A level assessment



**Let's now look at the A level assessment in more detail.**



## A level assessment

### Paper 1

Markets and business behaviour  
100 marks, 2 hours, 35%  
Section A: multiple choice and short answer  
Section B: data response  
Section C: essay (one from two)

### Paper 2

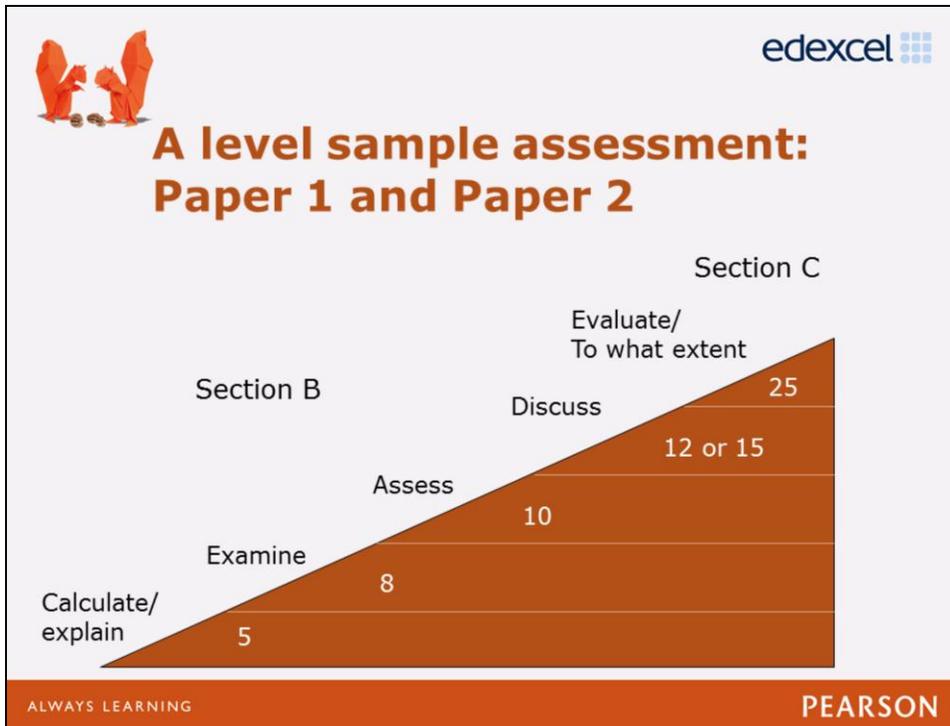
The national and global economy  
100 marks, 2 hours, 35%  
Section A: multiple choice and short answer  
Section B: data response  
Section C: essay (one from two)

### Paper 3

Microeconomics and macroeconomics  
100 marks, 2 hours, 30%  
Section A: data response and one essay (one from two)  
Section B: data response and one essay (one from two)

**There are three exam papers for A level.**

Paper 1 assesses content from Theme 1 and Theme 3, Paper 2 assesses content from Theme 2 and Theme 4, and Paper 3 brings content together from across the A level course.



**The same principles apply for A level as they do for AS.**

You'll see that Paper 1 and Paper 2 have a consistent structure. For A level, the papers have three sections:

- Section A comprises short answer questions (such as multiple choice, calculate, illustrate and explain)
- Section B is based on extracts
- Section C comprises an essay question; students choose one essay from two

As we mentioned previously, a taxonomy for economics has been defined and will be applied consistently to ensure students are rewarded for demonstrating the appropriate skills for the subject. The taxonomy has been applied across AS and A level. You'll see that A level has 8-mark examine and 12-mark (as well as 15-mark) discuss questions.

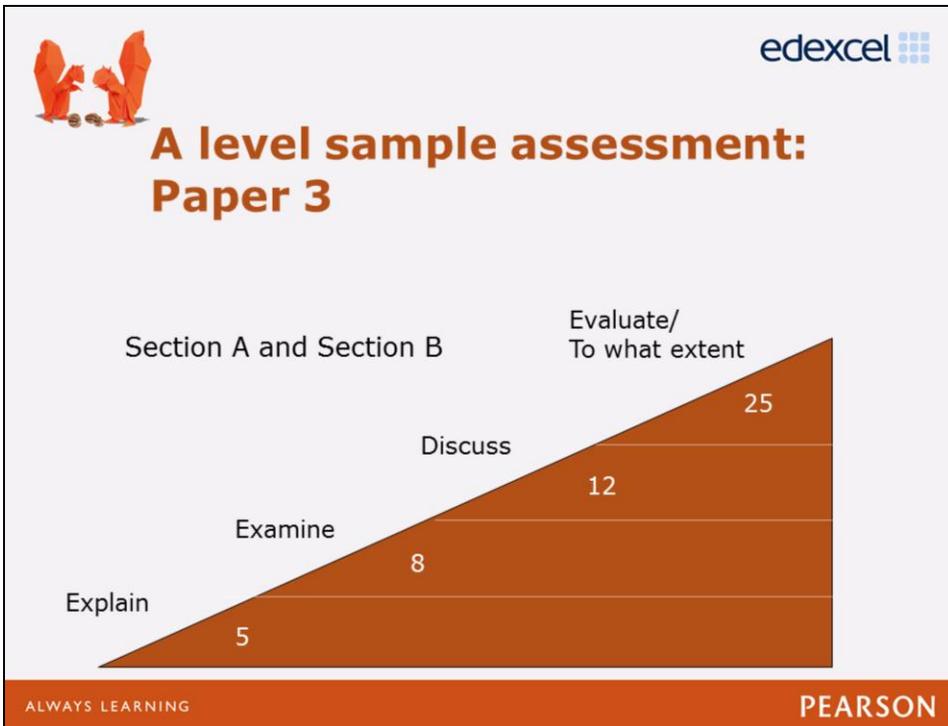


## A level sample assessment: Section A

- Section A has 25 marks
- There are 5 x 5 mark questions
- 5 mark questions comprise more than one part, e.g:
  - 1 (m/c) + 4
  - 1 (m/c) + 1+ 3
  - 1 (m/c) + 2+ 2

**Like the AS papers, the short answer questions in Section A comprise multiple parts.**

Each question might therefore comprise a range of multiple choice, define, calculate or illustrate and explain questions. There are also some short answer questions in Section B. These are 4, 5 or 6 mark explain and/or calculate questions.



**A level Paper 3 has a slightly different structure.**

As we mentioned, this paper assesses across the entire course of study and there are no short answer questions. The paper has two sections which have a consistent structure and use of taxonomy. Both sections include unseen stimulus material and students choose one essay from two.



## Extended answers

			Evaluate: 4,4,8,9
		Discuss: 2,2,4,4 Discuss: 3,3,3,6	Accurate and precise knowledge
Examine: 2,2,2,2 Identifying points	Assess: 2,2,2,4 Accurate knowledge	Accurate knowledge Context and/or examples	Context and/or examples Evidence integrated
Referring to context	Context and/or examples Appropriate application	Appropriate application Chains of reasoning	Appropriate application Chains of reasoning
Linked explanations Evaluative comments	Reasoning and context Critical awareness	Reasoning and context Critical awareness	Reasoning and context Critical awareness Informed judgements

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**This slide summarises the skills assessed within the A level questions.**

The skills are consistent between AS and A level so, as we saw at AS, assess and discuss questions broadly comprise the same skills. However, there is some difference in AO3 (analysis), with students required to develop a chain of reasoning within their analysis in discuss questions. In the 'assess' questions, the chains of reasoning support evaluation.

Assess and discuss questions are distinguished by the context of the question. 'Assess' as a command word has a narrower focus whereas 'discuss' questions are broader, requiring students to carefully select the appropriate concepts; for example, assess x or assess x and y but discuss possible costs and benefits. This is reflected in the overall marks available for the question.

# Exploring Theme 1



**We're now going to summarise the highlights in Theme 1.**

You might want to download the specification (or have your hard copy to hand) as you work through these slides. You can also refer to the **Getting Started Guide**, which includes teaching and learning ideas for each topic.



## Content overview: Theme 1

Introduction to markets and market failure	Highlights
1.1 The nature of economics	<ul style="list-style-type: none"><li>• Introduction to economic thinkers – Smith, Hayek, Marx</li><li>• Introduction to behavioural economics</li><li>• The functions of money</li></ul>
1.2 How markets work	
1.3 Market failure	
1.4 Government intervention	

### **Theme 1 focuses on microeconomic concepts.**

Students will consider how markets work, looking at how supply and demand interact to allocate resources in local, national and international markets. Having looked at how markets work, students will also consider market failure. They will explore the nature and causes of market failure as well as the strengths and weaknesses of government intervention.

New content in this theme includes an introduction to economic thinkers, with reference to Smith, Hayek and Marx. This sets some interesting contexts for students to explore. Also included in this theme is rational decision making and alternative views of consumer behavior, which is an introduction to behavioural economics.

Overall the theme provides coherent coverage of microeconomic content with students drawing on local, national and global contexts.



## Nature of economics

- Economics as a social science
- Positive and normative economics
- Scarcity
- PPFs: application of opportunity cost; use in showing growth
- Specialisation and division of labour, including functions of money
- Free market, mixed and command economies, including Smith, Marx and Hayek

**This topic introduces students to the nature of economics through exploring some key underlying concepts.**

This includes: the idea that economics is a social science; positive and normative economic statements; the economic problem of scarcity; and production possibility frontiers.

Students will also consider the advantages and disadvantages of specialisation and the division of labour in organising production and in the production of goods and services to trade. Specialisation means there is a need to exchange and this is why students will explore the functions of money. Students are also introduced to the different ways economies can organise themselves in terms of free market, command and mixed economies. Students are required to distinguish between the three and consider the advantages and disadvantages of each.



## Supply and demand

- Rational decision making – diminishing marginal utility
- Alternative views of consumer behaviour
- Movement along and shifts in the demand and supply curve
- PED; YED and XED:
  - understand link between PED & TR
  - significance of these concepts for firms
- PES
- Supply and demand analysis

**This topic looks at how markets work and introduces students to markets through exploring supply and demand.**

Students should use supply and demand to analyse real world situations and impacts on markets. Students will also challenge the assumption that consumers behave rationally.

Students will look at movement along the demand curve – but not indifference curves – and movement along the supply curve – but not the relationship between marginal costs and supply. Supply and demand analysis covers indirect taxes and subsidies – including reference to elasticities and incidence (these are also relevant in the discussion of market failure).



## Price determination

- Determination of market equilibrium
- Consumer and producer surplus – impact of changes in supply or demand – using diagrams
- Functions of the price mechanism – including rationing, incentives and signalling
- Causes of changes in equilibrium price

**Price determination is also part of topic 1.2 which looks at how markets work.**

Students will cover applications of the price mechanism and will examine real world markets, considering what is causing prices to change. Supply and demand diagrams should be used to demonstrate how shifts in the demand or supply curve cause changes in the equilibrium price and quantity.



## Market failure

- Externalities
- Under-provision of public goods:
  - private and public goods
  - free rider problem
- Imperfect market information:
  - symmetric and asymmetric information
  - examples include health, education, pensions, tobacco and alcohol
- Theme 1 does not include monopoly (which is in theme 3)

**This topic considers how markets can fail to deliver the socially optimal level of output and explores externalities, public goods and information gaps.**

Students should be able to apply the concepts to real world markets and a wide range of examples may be used to demonstrate the application of market failure, including: transport (air, rail, road); healthcare; education; environment, waste disposal, recycling; pensions, tobacco, alcohol; commodity markets (hard and soft); agriculture and fishing.

For externalities, two diagrams are required: external costs from production and external benefits from consumption. The diagrams should identify: free market and social optimum outputs; the over/under-production/consumption; and welfare loss/gain areas.



## Dealing with market failure

- Methods of government intervention:
  - indirect taxation, subsidies
  - maximum and minimum prices
  - tradable permits
  - extension of property rights
  - state provision
  - regulation
- Government failure:
  - government intervention resulting in a net welfare loss
  - causes of government failure
  - examples might include agriculture, tobacco and alcohol, housing

Market failure is a justification for a government role in creating a more efficient social optimal outcome. **This topic considers ways in which governments can intervene in markets and the impact of these interventions.**

Students will also consider how government intervention can lead to net welfare loss. The content can be applied to a variety of contexts, such as waste, over-fishing, transport, health and education.



## Planning for new content

- Identify the knowledge, application, analysis and evaluation relevant to that content
- Use the free support materials to help with this
- Develop activities and resources:
  - Multiple choice questions from past papers
  - Worksheets
  - Past and new case studies
  - Practice questions for explain, calculate, assess and evaluate (where appropriate)
- An example is provided in your pack

**This slide provides an overview of one way you might approach planning for these new topics.**

An example of planning documents, case studies and questions you might like to use are available on our website in the training materials. The purpose of this resource is to demonstrate an approach to building a bank of knowledge/background information (and is not indicative of the specification coverage).

The approach taken in this resource is to identify:

- What do students need to know? (You can use resources such as the Getting Started Guide to help with this.)
- What examples can you use to illustrate this (application) (You can refer to resources such as our Scheme of Work to help)
- What causes and consequences/linkages can you think of?
- What evaluative points can be made?
- How can this content be revisited later in the specification – where are the links?
- How will you revise this when teaching themes 3 and 4?

We hope you find these useful – if you would like to share your resources with other centres, why not let Colin know?

## Exploring Theme 2



**Let's now look at the content in Theme 2.**



## Content overview: Theme 2

The UK economy – performance and policies	Highlights
2.1 Measures of economic performance	<ul style="list-style-type: none"><li>• Aspects of economic history – interpretations and responses to the Great Depression and Global Financial Crisis</li><li>• National happiness</li><li>• Keynes and 'animal spirits'</li></ul>
2.2 Aggregate demand	
2.3 Aggregate supply	
2.4 National income	
2.5 Economic growth	
2.6 Macroeconomic objectives and policy	

### **Theme 2 focuses on macroeconomic concepts.**

Students are introduced to aggregate demand and supply and use the AD/AS model to analyse changes in real output and the price level. They also examine demand-side and supply-side policies and how direct controls are used as a means of improving an economy's performance. Students also look at the underlying assumptions of these policies and their likely impact and effectiveness, as well as consider policy responses in an historical context.

Students will need to have knowledge of the UK economy in the last 10 years and they will draw on local and national contexts as appropriate.

New content in this theme includes aspects of economic history to inform debates, national happiness and Keynes and animal spirits.



## Measures of economic performance

- Growth: increase in real GDP; other measures (GNP, GNI); international comparisons (using PPP); limitations of GDP; happiness
- Inflation, deflation and disinflation: CPI and RPI; indices; causes and effects
- Employment and unemployment (ILO and claimant count); underemployment; causes and effects
- The X-M element of the Balance of Payments

**This topic includes ideas that students and teachers will return to throughout the course.**

It introduces the main measures of economic performance used in assessing the UK economy: economic growth, inflation, unemployment and the balance of payments. Students should be familiar with both the theory covered here and its application to the UK economy over the last ten years.



## AD and AS

### Aggregate demand

- Why the AD slopes downwards
- Causes of shifts in AD curve
- Keynes and 'animal spirits'

### Aggregate supply

- Keynesian and Classical
- Causes of shifts in the AS curve
- SRAS and LRAS

### **This topic introduces AD and its components.**

Students will need to understand the main factors which influence each of the components and how changes in these factors would affect AD. This includes why the AD slopes downwards and will dispel the notion that people spend more because everything is cheaper. Causes of shifts in the AD curve should be analysed for all components of AD: C, I, G, and X-M.

### **This topic also introduces aggregate supply (AS) and distinguishes between the short-run and long-run AS curves.**

Students need to understand the main factors which influence each of these. This topic also introduces students to the debate between the Keynesian and classical schools of economic thought as to the shape of the long-run AS curve. Students will need to be able to illustrate spare capacity.



## National Income

- The circular flow of income
- The impact of injections and leakages
- Changes in the equilibrium price level and real national output
- The multiplier process:
  - calculation of the multiplier
  - marginal propensities

**This topic introduces some important concepts: the circular flow of income model and the multiplier.**

Students need to understand these ideas in and of themselves, but also their impact on other topics covered; for example, the significance of the multiplier to shifts in AD and to the use of AD/AS diagrams to show how events in the economy cause changes in the equilibrium price level and real national output. Detail has been included on calculating the value of the multiplier and students need to be confident in analysing the effects of the multiplier in a quantitative, as well as a qualitative, manner.

The **Getting Started Guide** gives an example of the level of detail required for the circular flow diagram. Students should be aware of the importance of income (flow concept) and wealth (stock concept). Wealth effects are important in the discussion of house prices/share prices. Students should be able to describe in words what happens when an injection or leakage changes and they need to understand that if the tendency to leak increases then the multiplier falls.



## Economic growth

- Actual and potential growth
- Identify and interpret trends in growth rates
- Concept of sustainable growth
- Output gaps
- The business cycle
- Causes and constraints of growth
- Costs and benefits of growth

**This topic brings together several different aspects of economic growth.**

Students are asked to consider the difference between actual and potential growth, the possible causes of growth, and its positive and negative consequences. Periods of growth are placed in context by looking at the trade cycle model, and in particular the likely characteristics of periods of high growth (booms) and periods of negative growth (recessions). The concept of the output gap is also introduced and linked to ideas of recession and boom. Output gaps should be understood both verbally and diagrammatically

Causes and constraints of growth are a useful basis for teaching Theme 4. Causes of growth include investment, migration and exports. Constraints include instability of government, inadequate skills of workforce and low productivity.

Costs of growth include possible negative consequences for income distribution, the Balance of Payments and the environment. Students should also consider the opportunity cost of growth. Benefits of growth include possible positive consequences for: living standards, tax revenues and profits. Students could evaluate the link between growth and living standards



## Macroeconomic objectives and policies

- Key objectives and possible conflicts
- Monetary and fiscal policy
- Different interpretations of policies and different policy responses (US and UK) to the **Great Depression** and **Global Financial Crisis** for **context**
- Supply-side policies: market based and interventionist
- Policy conflicts and trade offs

**This topic introduces the different possible macroeconomic objectives of governments and how they might conflict.**

This is an important topic as it also includes the types, effects and evaluation of demand-side (fiscal and monetary) and supply-side policies. In addition to their general knowledge of the UK economy over the past ten years, students should apply their knowledge of demand-side policy to analyse the likely effects and effectiveness of US and UK policy responses to both the Great Depression and the Global Financial Crisis.

## Planning activity



**As with Theme 1, we've provided an example planning document for you to help you get started.**

The Theme 2 planning documents, case studies and questions you might like to use are available on our website in the training materials. The purpose of this resource is to demonstrate an approach to building a bank of knowledge/background information (and are not indicative of the specification coverage).

## Final thoughts



**We've almost finished but there are a few final things to cover before you go.**



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# Questions?



**If you have any questions, have a look at our training FAQs.**

You can download these from the training materials. If the answer isn't there, please contact Colin Leith – Colin's details are on the next slide.

T624m



**E-mail:** TeachingEconomics@pearson.com

**Phone:** 0844 372 2187

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**Thank you**



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**Please get in touch with Colin and his team if you need any further help or support.**

Colin and our online economics community will ensure you receive help and guidance from us as well as sharing ideas and information with each other. You can sign up to receive e-newsletters from Colin to keep up-to-date with qualification updates, and product and service news.