

Paper Reference 9EB0/02
Pearson Edexcel
Level 3 GCE

Economics B
Advanced
PAPER 2: Competing in the global economy

Monday 22 May 2023 – Afternoon

Data Booklet

In the boxes below, write your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

INSTRUCTIONS

THIS DATA BOOKLET MUST BE RETURNED WITH THE QUESTION PAPER AT THE END OF THE EXAMINATION.

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Extract A

UK restaurant sector in March 2022

- Restaurants face food, wage and energy inflation, while real household incomes are falling. Around 700 chain restaurants have closed since March 2020, according to the Local Data Company (LDC), which monitors chain restaurants. The Restaurant Group, which took over Frankie & Benny's, Garfunkel's and Chiquito and Casual Dining Group, which took over Café Rouge and Bella Italia, have now closed dozens of their restaurants.
- However, small independent restaurants have stepped into the gaps left by the chains. The number of local restaurants has increased by 3.7% (888) since March 2020, according to LDC. Cheaper rents have made it easier for entrepreneurs to start new restaurant businesses.

Extract B

The growth of dark kitchens

Imagine a restaurant. Remove the tables, customers and restaurant employees. Replace these with an app and you have a dark kitchen. Dark kitchens are designed exclusively for efficiency; to cook, pack and deliver takeaway meals as quickly as possible. The idea is they help existing restaurant chains reach customers further away from their restaurants, which in turn do not become too busy.

- 10 There has been substantial growth in the number of dark kitchens particularly in London, Manchester and Leeds. They are industrial-scale kitchens, located in warehouses in low-cost areas. While Food Stars, owned by Los Angeles based **CloudKitchens**, is the largest operator of dark kitchens in the UK, another multinational **Deliveroo** launched **Deliveroo Editions** rentable kitchens in **2017**. In addition, **Dishoom**, **Rosa's Thai**, **Five Guys** and Chinatown dim sum restaurant, **Tao Tao Ju**, have all entered this market.

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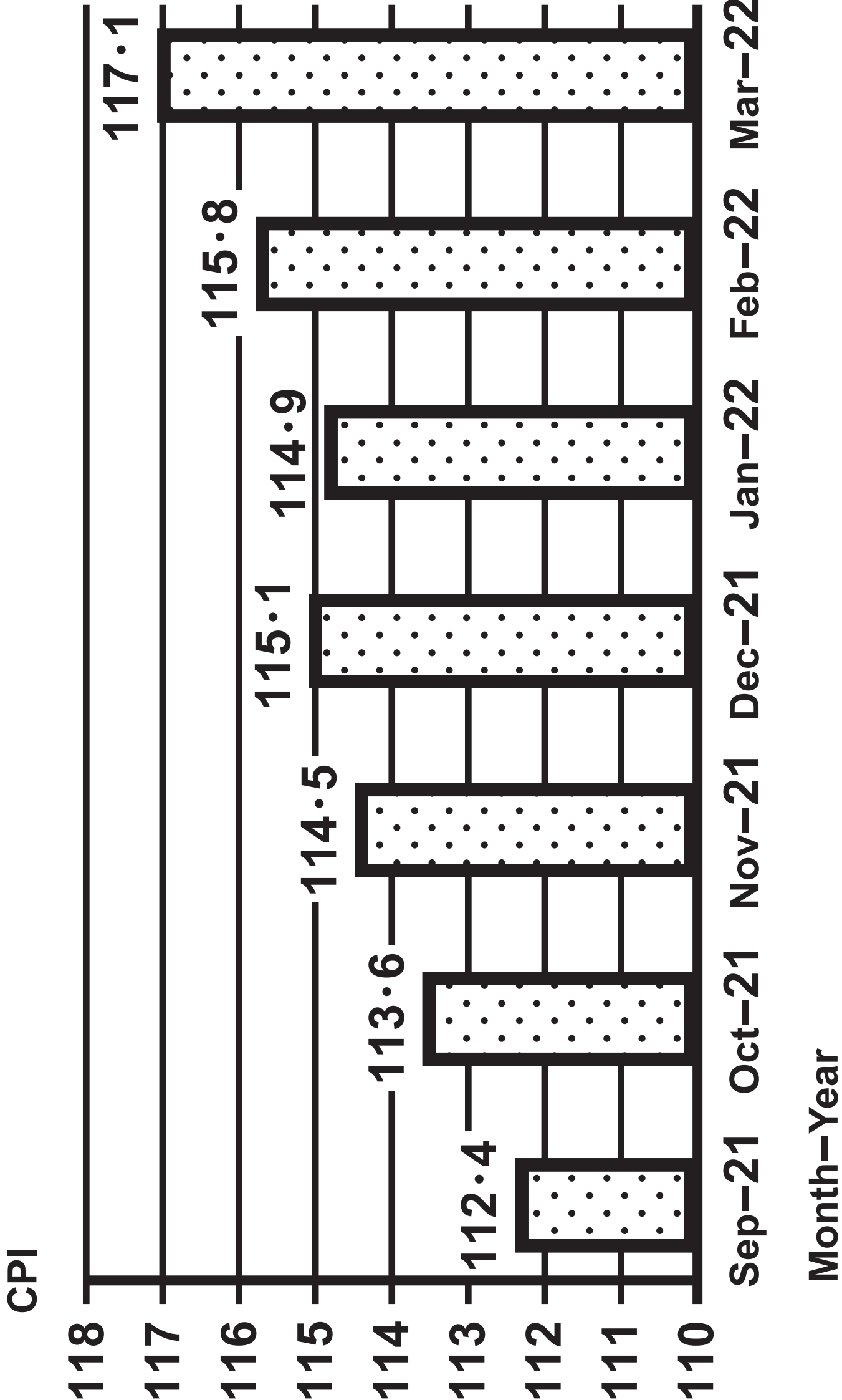
Turn over

Extract B continued.

- 20 However, there have been growing concerns about dark kitchen sites being located close to residential areas. These concerns often relate to abuse from delivery drivers and finding ingredients, including raw meat, dumped in the street. There have also been concerns about poor**
- 25 working conditions and low pay for employees in these dark kitchens.**

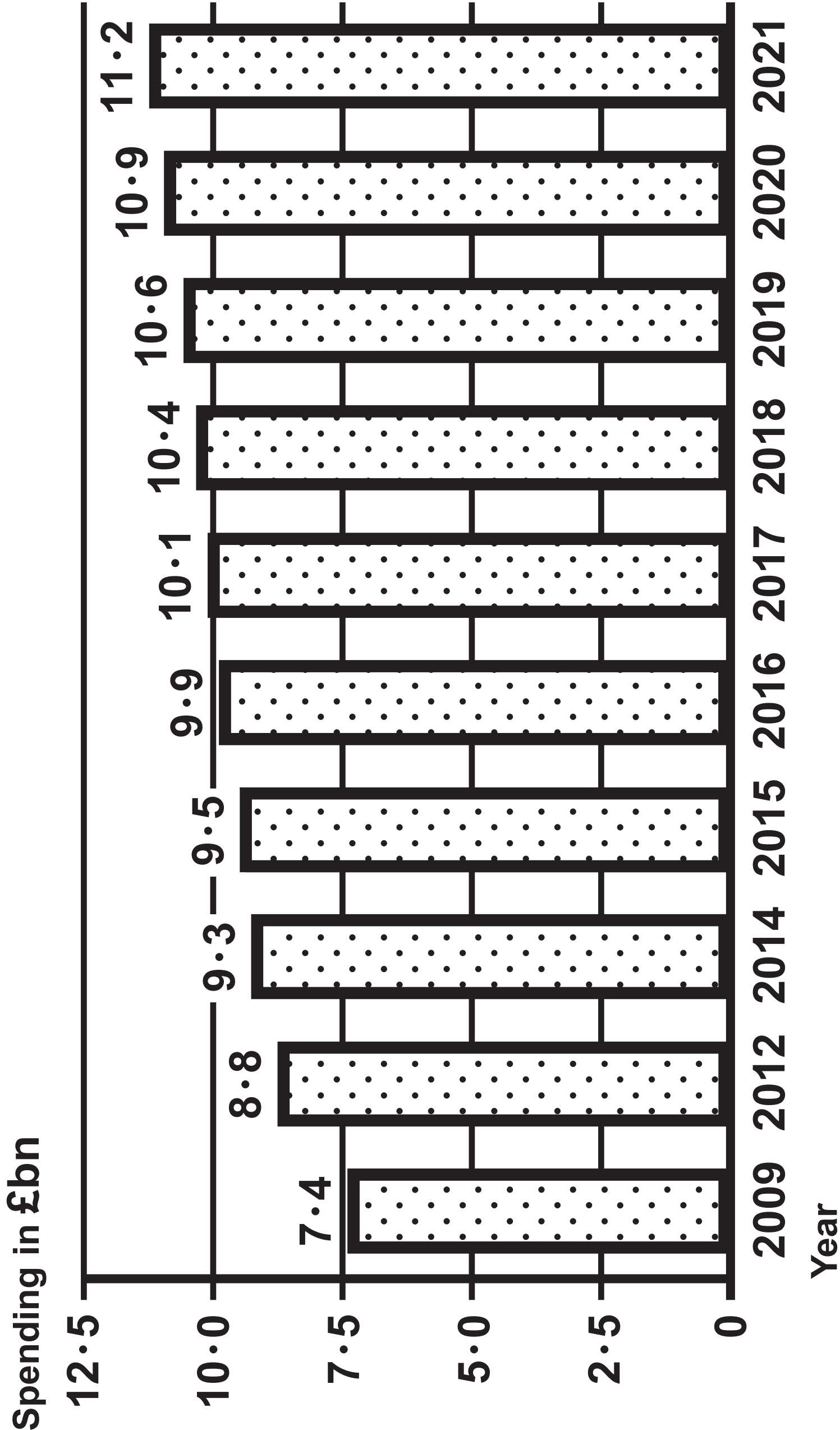
Extract C

UK monthly consumer price index (CPI) September 2021 to March 2022
(2015 = 100)



Extract D

Total household expenditure on takeaway meals in the UK 2009, 2012 and 2014 to 2021 (£bn)



Extract E

Tesco and Aldi take drastic action to avoid empty supermarket shelves

- Shoppers complained about empty supermarket shelves in August **2021**. Although **Tesco** previously assured
- 5 shoppers it had plenty of food and urged customers to shop as normal. **Tesco**, Britain's biggest supermarket, announced a **£1 000** bonus for lorry drivers joining its workforce. **Aldi** acted in a similar way and increased the wages of its lorry drivers.
- 10 The payment to **Tesco** drivers which was applied to drivers who joined from **14** July until the end of September, appeared on various advertisements for lorry driver roles on the **Tesco** website. The aim was to maintain frequent deliveries of small quantities of stock to
- 15 keep the shelves full.

Extract F

Semiconductor shortage shows the pitfalls of 'just in time'

Just in time (JIT) manufacturing is one of the marvels of globalisation. By coordinating the minute-to-minute movements of ships, trains and trucks across continents, car and electronics manufacturers can ensure that the parts arrive as they are needed. However, such lean production methods leave little room for error.

Car makers and other firms are now paying the price in production delays, missed sales and damage to reputations because of the semiconductor shortage.

In 2021 the shortage of semiconductors damaged supply chains worldwide. Car factories were idle because of the struggle in locating semiconductors to buy. Consumer electronics makers warned that the shortage was spreading to the production of televisions, household appliances and smartphones.

Extract G

The UK lacks gas storage capacity

The UK stores enough gas to meet the demand of four to five winter days, or just 1% of Europe's total available storage. The Netherlands has capacity more than nine times the UK, while Germany has 16 times UK storage capacity. The low storage levels left the UK far more exposed to higher global prices and the risk of gas shortages in the **2021–2022** winter.

Extract H

Inflation versus economic growth

UK economic growth is expected to match the USA in **2022** but in **2023** it will slump to the bottom of the league table of comparable economies in the G7, the International Monetary Fund (IMF) has said. It will also face the highest rate of inflation.

The data will add to the pressure on the UK Government. Slower growth and higher prices could be even more politically dangerous as energy prices rise again in **2022–2023** winter. Critics of UK Government policy said that the IMF data showed that its macroeconomic policy was wrong and as a result forecast a recession in the second quarter of **2022**.

Extract I

Sustainability versus economic growth

Many of the world's most 'prosperous' countries are its least sustainable. Since the 1970s, humanity has been in 'ecological overshoot', with annual demand for resources exceeding what the Earth can regenerate each year. Today, humanity uses the equivalent of 1.7 Earths to provide the resources we use. This applies to the vast majority of today's wealthy countries.

Even nations such as Norway, with an apparent ecological surplus thanks to widespread use of renewables at home, mask their true carbon footprint by exporting fossil fuels to be burned elsewhere – in so doing, helping to enhance their own prosperity further.

Sources

Extract A

(Source: adapted from <https://www.theguardian.com/business/2022/mar/26/uk-casual-dining-covid-independent-restaurants>)

Extract B

(Source: adapted from <https://www.theguardian.com/commentisfree/2022/jan/17/dark-kitchens-food-delivery-apps-inside-kitchen-work> and <https://www.timeout.com/london/news/the-mystery-of-londons-dark-kitchens-041322>)

Extract C

(Source: adapted from <https://www.ons.gov.uk/economy/inflationandpriceindices>)

Extract D

(Source: adapted from <https://www.statista.com/statistics/584999/takeaways-household-spending-united-kingdom-uk/>)

Extract E

(Source: adapted from <https://www.manchestereveningnews.co.uk/news/uk-news/tesco-aldi-take-drastic-action-21204833>)

Extract F

(Source: adapted from <https://www.ft.com/content/8fd09156-434c-45c6-8d26-3765b98f1980>)

Extract G

(Source: adapted from <https://www.theguardian.com/business/2021/sep/24/how-uk-energy-policies-have-left-britain-exposed-to-winter-gas-price-hikes>)

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Sources continued.

Extract H

(Source: adapted from <https://www.theguardian.com/business/2022/apr/19/imf-cuts-global-growth-forecast-over-ukraine-war>)

Extract I

(Source: adapted from <https://www.theguardian.com/global-development/2018/dec/05/climate-change-ranking-prosperity-invites-disaster-henrietta-moore-ucl>)