

# International GCSE

## Economics (9–1) (Modular)

### Specification

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Pearson Edexcel International GCSE in Economics (Modular) (4XEC1)

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First teaching September 2023

First examination June 2024

First certification August 2025

Issue 1



## **About Pearson**

We are the world's leading learning company operating in countries all around the world. We provide content, assessment and digital services to learners, educational institutions, employers, governments and other partners globally. We are committed to helping equip learners with the skills they need to enhance their employability prospects and to succeed in the changing world of work. We believe that wherever learning flourishes so do people.

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# 1 About this specification

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Pearson Edexcel International GCSE in Economics (Modular) is part of a suite of International GCSE (Modular) qualifications offered by Pearson.

This qualification is not accredited or regulated by any UK regulatory body.

This specification includes the following key features.

## Structure

Pearson Edexcel International GCSE in Economics (Modular) is a modular qualification. All units are available in the June and November exam series and can be sat in any order or resat. A cash-in code must be used to obtain an overall grade for the qualification.

## Content

The content is relevant, engaging and up-to-date.

## Assessment

Assessment consists of two examinations with questions designed to differentiate learners of all abilities. All assessments in the modular route are designed to be at the same standard, and there is no step up in difficulty between Unit 1 and Unit 2.

## Approach

It fosters independent learning, critical thinking skills, and includes real-life examples.

## Specification updates

This specification is Issue 1, and is valid for first teaching from September 2023, with first assessment from June 2024, first cash-in in June 2025 and first certification from August 2025. If there are any significant changes to the specification, we will inform centres in writing.

For more information, please visit [qualifications.pearson.com](https://qualifications.pearson.com).

## Using this specification

This specification gives teachers guidance and encourages effective delivery of the qualification. The following information will help you get the most out of the content and guidance.

**Compulsory content:** as a minimum, all the bullet points in the content must be taught. The word 'including' in the content specifies the detail of what must be covered.

**Assessments:** use a range of material and are not limited to the examples given. Teachers should deliver the qualification using a good range of examples to support the assessment of the content.

**Depth and breadth of content:** teachers should use the full range of content and all the assessment objectives given in *Section 2: Economics content*.

## **Qualification aims**

The aims of this qualification are to enable learners to:

- develop an understanding of economic concepts and apply these concepts to real-life situations
- calculate, interpret and evaluate economic data in order to make reasoned arguments and informed judgements
- develop an awareness of economic change and its impact on developing and developed economies
- understand economic issues, problems and possible solutions that affect mixed economies
- participate effectively in society as citizens, producers and consumers.

# Why choose Pearson Edexcel qualifications?

## **Pearson – the world’s largest education company**

Edexcel academic qualifications are from Pearson, the UK’s largest awarding organisation. With over 3.4 million learners studying our academic and vocational qualifications worldwide, we offer internationally recognised qualifications to schools, colleges and employers globally.

Pearson is recognised as the world’s largest education company, allowing us to drive innovation and provide comprehensive support for Pearson Edexcel learners in acquiring the knowledge and skills they need for progression in study, work and life.

## **A heritage you can trust**

The background to Pearson becoming the UK’s largest awarding organisation began in 1836, when a royal charter gave the University of London its first powers to conduct exams and confer degrees on its learners. With over 150 years of international education experience, Edexcel qualifications have firm academic foundations, built on the traditions and rigour associated with Britain’s educational system.

## **Results you can trust**

Pearson’s leading online marking technology has been shown to produce exceptionally reliable results, demonstrating that, at every stage, Pearson Edexcel qualifications maintain the highest standards.

# Why choose Pearson Edexcel International GCSE in Economics (Modular)?

We have listened to feedback from all parts of the international school and language teaching community. We have made changes that will engage international learners and give them skills that will support progression to further study of economics, and to enhance future educational or employment prospects.

The content and assessment approach for this qualification has been designed to maintain the rigorous standards of all Pearson Edexcel qualifications and meet learner needs.

## Modular structure

The modular assessment structure offers learners the flexibility to sit examinations when they are ready and provides opportunities to resit individual unit assessments before receiving an overall qualification grade.

## Two-unit assessment

A two-unit model gives learners good opportunities to prepare for and focus on different aspects of economics. We will test knowledge, understanding, analytical and evaluation skills around two themes: Unit 1: Microeconomics and Business Economics, and Unit 2: Macroeconomics and the Global Economy.

## Concepts and content

The content in both Unit 1: Microeconomics and Business Economics and Unit 2: Macroeconomics and the Global Economy is engaging and accessible for all learners. The content is appropriate and relevant for progression, building understanding and awareness of economic theory and testing concepts in realistic contexts. It develops learners' ability to participate effectively in global society as citizens, producers and consumers.

## Clear and straightforward question papers

Our question papers are clear and accessible for learners of all ability ranges. Our mark schemes are straightforward so that the assessment requirements are clear.

## Broad and deep development of skills

The design of this International GCSE (Modular) aims to extend learners' knowledge and understanding by broadening and deepening skills; for example, learners develop the ability to:

- read sources to interpret and evaluate economic information
- write extended responses
- respond appropriately to a range of question types, including multiple-choice, short open-response, data response and extended open-response questions
- develop an understanding of economic concepts and apply these concepts to real-life situations.

## Progression

International GCSE (Modular) qualifications enable successful progression to Level 3 qualifications (such as the International A Level in Economics) and beyond, in economics and other subjects. We have consulted International A Level and GCE A Level teachers as well as higher education professionals to validate this qualification, including its content, skills development and assessment structure.



# Supporting you in planning and implementing this qualification

## Planning

- Our *Getting Started Guide* gives you an overview of Pearson Edexcel International GCSE in Economics (Modular) to help you understand the content and assessment, and what this means for you and your learners.
- We will provide you with an editable scheme of work and course planner for each qualification offering a modular route, enabling you to adapt these resources to suit your needs.

## Teaching and learning

- Our skills maps will highlight opportunities for learners to develop skills that are directly and indirectly assessed.
- Print and digital learning and teaching resources promote any time, any place learning to improve learners' motivation and encourage new ways of working. These will be mapped to our modular schemes of work to ensure this qualification is fully supported.

## Preparing for exams

We will also provide you with a range of resources to help you prepare your learners for the assessments, including:

- past papers for the qualification's linear counterpart to use as lesson resources or for mock examinations
- examiner reports with learner responses and examiner commentaries following each examination series.

## Onscreen assessment

Onscreen assessment is available for this qualification from June 2024 onwards. Find out more information on our website: [qualifications.pearson.com](https://qualifications.pearson.com).

## ResultsPlus

ResultsPlus provides the most detailed analysis available of your learners' exam performance. It can help you identify the topics and skills where further learning would benefit your learners.

## examWizard

This is an included online resource designed to support learners and teachers with examination preparation and assessment.

## Training events

In addition to online training, we host a series of training events for teachers to deepen their understanding of our qualifications.

## Get help and support

Our subject advisor ensures that you receive help and guidance from us. You can email our subject advisor at [TeachingEconomics@pearson.com](mailto:TeachingEconomics@pearson.com). You can also sign up to receive [subject advisor updates](#) or contact us using our [support portal](#).

## 2 Qualification at a glance

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### Qualification overview

Pearson Edexcel International GCSE in Economics (Modular) comprises two mandatory units. Both units are available as paper-based and onscreen assessments.

It is a modular qualification in which unit assessments can be sat and resat in any order.

Assessments must be cashed in to obtain a final grade for the qualification.

### Content and assessment overview

<b>Unit 1: Microeconomics and Business Economics</b>	<b>Unit code: 4WEC1/01*</b>
Externally assessed Written examination: 1 hour and 30 minutes Availability: June and November 80 marks	50% of the total International GCSE (Modular)
<b>Content overview</b> The market system: <ul style="list-style-type: none"><li>• The economic problem</li><li>• Economic assumptions</li><li>• Demand, supply and market equilibrium</li><li>• Elasticity</li><li>• The mixed economy</li><li>• Externalities</li></ul> Business economics: <ul style="list-style-type: none"><li>• Production</li><li>• Productivity and division of labour</li><li>• Business costs, revenues and profit</li><li>• Business competition</li><li>• The labour market</li><li>• Government intervention</li></ul>	
<b>Assessment overview</b> The examination consists of four compulsory questions, each worth 20 marks. The questions in Unit 1 assessment are a combination of multiple-choice, data-response, short open-response and extended open-response questions. This unit is available as a paper-based or onscreen assessment.	

\* See *Appendix 1: Codes* for a description of this code and all the other codes relevant to this qualification.

<b>Unit 2: Macroeconomics and the Global Economy</b>	<b>Unit code: 4WEC2/01*</b>
Externally assessed Written examination: 1 hour and 30 minutes Availability: June and November 80 marks	50% of the total International GCSE (Modular)
<p><b>Content overview</b></p> <p>Government and the economy:</p> <ul style="list-style-type: none"> <li>• Macroeconomic objectives</li> <li>• Government policies</li> <li>• Relationships between objectives and policies</li> </ul> <p>The global economy:</p> <ul style="list-style-type: none"> <li>• Globalisation</li> <li>• International trade</li> <li>• Exchange rates</li> </ul>	
<p><b>Assessment overview</b></p> <p>The examination consists of four compulsory questions, each worth 20 marks. The questions in Unit 2 assessment are a combination of multiple-choice, data-response, short open-response and extended open-response questions.</p> <p>This unit is available as a paper-based or onscreen assessment.</p>	

\* See *Appendix 1: Codes* for a description of this code and all the other codes relevant to this qualification.



### **3 Economics content**

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Unit 1: Microeconomics and Business Economics	11
Unit 2: Macroeconomics and the Global Economy	23



# Unit 1: Microeconomics and Business Economics

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## Externally assessed

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### 1.1 Content description

You will start by learning about basic economic problems. All resources are scarce and therefore limited in supply. Consumers, firms and governments all have to make choices between different products and these choices will introduce you to the concept of opportunity cost.

Microeconomics is the study of individual markets. You will learn about the supply and demand model, which will give you a toolkit to explore how changes in the economy will affect supply, demand, price and quantity. The model will help to explain why prices rise and fall, for example enabling you to explain the changes in oil, house, gold and cocoa prices. You will look at how much the quantity supplied and demanded will respond to changes in price or income, which will help you to understand why some price changes see large or small changes in quantity.

Having looked at how markets work, you will look at how they sometimes fail. In some cases we overconsume as we ignore negative impacts on others, for example pollution. In other cases we underconsume as we might undervalue the benefits our education could bring to others.

You will then move on to studying business economics. You will look at what is needed to produce goods and services, including land, labour, capital and enterprise. You will look at how businesses can organise production to improve the output per worker, which we call productivity. You will study business costs, revenues and profits. You will then explore different types of businesses, from those that are competitive to single firms that we call monopolies, and also those industries with several large firms, which we call oligopolies. In each case you will consider the advantages of the types of business that exist.

Sometimes markets and businesses do not give the best outcome for people and so governments have to enter the market. You will look at the alternative ways in which they can affect markets, considering the benefits and drawbacks of each.

## 1.2 Assessment information

- Examination of 1 hour and 30 minutes, set and marked by Pearson.
  - Single tier of entry.
  - The assessment is out of 80 marks, which will be converted to UMS.
  - The examination consists of four compulsory questions, each worth 20 marks. The questions are a combination of multiple-choice, data-response, short open-response and extended open-response questions.
  - Each question will be based on a particular topic from the subject content related to microeconomics and business economics. Due to the nature of economics, there is some interrelation between topics.
  - This unit is available as a paper-based or onscreen assessment.
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## 1.3 Subject content

### The market system

Subject content	What learners need to study:
1.1.1 The economic problem	<p>a) The problem of scarcity – where there are unlimited wants and finite resources, leading to the need to make choices.</p> <p>b) Opportunity cost and its effect on economic agents (consumers, producers and government).</p> <p>c) The use of diagrams to show production possibility curve.</p> <p>d) Production possibility curve diagram should be used to show:</p> <ul style="list-style-type: none"> <li>• the maximum productive potential of an economy</li> <li>• fully employed or unemployed resources</li> <li>• opportunity cost</li> <li>• positive or negative economic growth that shifts the production possibility frontier (PPF) outwards and inwards</li> <li>• possible and unobtainable production.</li> </ul> <p>e) Possible causes of positive or negative economic growth.</p>
1.1.2 Economic assumptions	<p>a) The underlying assumptions that:</p> <ul style="list-style-type: none"> <li>• consumers aim to maximise their benefit</li> <li>• businesses aim to maximise their profit.</li> </ul> <p>b) Reasons why consumers may not maximise their benefit:</p> <ul style="list-style-type: none"> <li>• consumers are not always good at calculating their benefits</li> <li>• consumers have habits that are hard to give up</li> <li>• consumers sometimes copy others’ behaviour.</li> </ul> <p>c) Reasons why producers may not maximise their profit:</p> <ul style="list-style-type: none"> <li>• producers may have managers that revenue maximise or sales maximise</li> <li>• producers may prioritise caring for customers</li> <li>• producers may complete charitable work.</li> </ul>

Subject content	What learners need to study:
1.1.3 Demand, supply and market equilibrium	<p>Demand</p> <p>a) Definition of demand.</p> <p>b) The use of demand curve diagram to show:</p> <ul style="list-style-type: none"> <li>• changes in price causing movements along a demand curve</li> <li>• shifts indicating increased and decreased demand.</li> </ul> <p>c) Factors that may cause a shift in the demand curve, including:</p> <ul style="list-style-type: none"> <li>• advertising</li> <li>• income</li> <li>• fashion and tastes</li> <li>• price of substitute goods</li> <li>• price of complementary goods</li> <li>• demographic changes.</li> </ul> <p>Supply</p> <p>d) Definition of supply.</p> <p>e) The use of supply curve diagram to show:</p> <ul style="list-style-type: none"> <li>• changes in price causing movements along a supply curve</li> <li>• shifts indicating increased and decreased supply.</li> </ul> <p>f) Factors that may cause a shift in the supply curve, including:</p> <ul style="list-style-type: none"> <li>• costs of production</li> <li>• changes in technology</li> <li>• indirect taxes</li> <li>• subsidies</li> <li>• natural factors (natural disasters and weather).</li> </ul> <p>Market equilibrium</p> <p>g) Equilibrium price and quantity and how they are determined.</p> <p>h) The use of diagrams to show:</p> <ul style="list-style-type: none"> <li>• how shifts in supply and demand affect equilibrium price and quantity in real-world situations</li> <li>• excess demand</li> <li>• excess supply.</li> </ul> <p>i) Define, calculate and draw excess demand and excess supply.</p> <p>j) The use of market forces to remove excess supply or excess demand.</p>

Subject content	What learners need to study:
1.1.4 Elasticity	<p>Price elasticity of demand (PED)</p> <p>a) Definition of PED.</p> <p>b) Formula of PED.</p> <p>c) Calculate the PED using given percentage changes in quantity demanded and percentage changes in price.</p> <p>d) The use of diagrams to show price elastic and price inelastic demand.</p> <p>e) Interpret numerical values of PED that show:</p> <ul style="list-style-type: none"> <li>• perfect price inelasticity</li> <li>• price inelasticity</li> <li>• unitary price elasticity</li> <li>• price elasticity</li> <li>• perfect price elasticity.</li> </ul> <p>f) The factors influencing PED, including:</p> <ul style="list-style-type: none"> <li>• substitutes</li> <li>• degree of necessity</li> <li>• percentage of income spent on goods or service</li> <li>• time.</li> </ul> <p>g) Use of total revenue calculations to show the relationship between a change in price and the change in total revenue, to determine whether demand is price elastic or price inelastic.</p> <p>Price elasticity of supply (PES)</p> <p>h) Definition of PES.</p> <p>i) Formula of PES.</p> <p>j) Calculate the PES using given percentage changes in quantity supplied and percentage changes in price.</p> <p>k) The use of diagrams to show price elastic and price inelastic supply.</p> <p>l) Interpret numerical values of PES that show:</p> <ul style="list-style-type: none"> <li>• perfect price inelasticity</li> <li>• price inelasticity</li> <li>• unitary price elasticity</li> <li>• price elasticity</li> <li>• perfect price elasticity.</li> </ul>

Subject content	What learners need to study:
	<p>m) The factors influencing PES, including:</p> <ul style="list-style-type: none"> <li>• factors of production</li> <li>• availability of stocks</li> <li>• spare capacity</li> <li>• time.</li> </ul> <p>n) Use examples to show the likely PES for manufactured and primary products.</p> <p>Income elasticity of demand</p> <p>o) Definition of income elasticity of demand.</p> <p>p) Formula of income elasticity of demand.</p> <p>q) Calculate the income elasticity of demand using given percentage changes in quantity demanded and percentage changes in income.</p> <p>r) Interpret numerical values of income elasticity of demand that show:</p> <ul style="list-style-type: none"> <li>• luxury goods</li> <li>• normal goods</li> <li>• inferior goods.</li> </ul> <p>s) The significance of price and income elasticities of demand to businesses and the government, in terms of:</p> <ul style="list-style-type: none"> <li>• the imposition of indirect taxes and subsidies</li> <li>• changes in income.</li> </ul>
1.1.5 The mixed economy	<p>a) Definition of mixed economy.</p> <p>b) Definition of public and private sector.</p> <p>c) Difference between public and private sectors in terms of ownership, control and aims.</p> <p>d) How the problems of what to produce, how to produce and for whom to produce are solved in the mixed economy.</p> <p>e) Concept of market failure – linked to inefficient allocation of resources.</p> <p>f) Why governments might need to intervene because of market failure.</p> <p>g) Definition of public goods – non-excludability, non-rivalry and how this causes the free rider problem.</p> <p>h) The role of the public sector and private sectors in the production of goods and services.</p> <p>i) The relative importance of public sector and private sector in different economies.</p> <p>j) Definition of privatisation.</p>

Subject content	What learners need to study:
	k) Effects of privatisation on: <ul style="list-style-type: none"> <li>• consumers</li> <li>• workers</li> <li>• businesses</li> <li>• government.</li> </ul>
1.1.6 Externalities	External costs of production <ul style="list-style-type: none"> <li>a) Definition of external costs.</li> <li>b) Examples of external costs, including pollution, congestion and environmental damage.</li> </ul> External benefits of consumption <ul style="list-style-type: none"> <li>c) Definition of external benefits.</li> <li>d) Examples of external benefits, including education, healthcare and vaccinations.</li> <li>e) Definition and formula for:               <ul style="list-style-type: none"> <li>• <math>\text{social costs} = \text{private costs} + \text{external costs}</math></li> <li>• <math>\text{social benefits} = \text{private benefits} + \text{external benefits}</math>.</li> </ul> </li> </ul>

## Business economics

Subject content	What learners need to study:
1.2.1 Production	<p>a) The factors of production:</p> <ul style="list-style-type: none"> <li>• land</li> <li>• labour</li> <li>• capital</li> <li>• enterprise.</li> </ul> <p>b) Sectors of the economy:</p> <ul style="list-style-type: none"> <li>• primary</li> <li>• secondary</li> <li>• tertiary.</li> </ul> <p>c) Changes in the importance of these sectors in terms of employment and output over time in developing and developed economies.</p>
1.2.2 Productivity and division of labour	<p>a) Definition of productivity.</p> <p>b) Factors affecting productivity:</p> <ul style="list-style-type: none"> <li>• land – use of fertiliser, drainage, irrigation, reclamation</li> <li>• labour – quality of labour, including improved human capital through education and training and impact of migration</li> <li>• capital – increased quantity and technological advances.</li> </ul> <p>c) Definition of division of labour.</p> <p>d) Advantages and disadvantages of the division of labour to workers and businesses.</p>

Subject content	What learners need to study:
1.2.3 Business costs, revenues and profit	<p>a) Definition and use of formulae to calculate:</p> <ul style="list-style-type: none"> <li>• total revenue</li> <li>• total costs</li> <li>• total fixed costs</li> <li>• total variable costs</li> <li>• average (total) costs</li> <li>• profit.</li> </ul> <p>b) Economies of scale:</p> <ul style="list-style-type: none"> <li>• definition of economies of scale</li> <li>• definition of internal economies of scale</li> <li>• types of internal economies of scale: <ul style="list-style-type: none"> <li>o purchasing (bulk buying)</li> <li>o marketing</li> <li>o technical</li> <li>o financial</li> <li>o managerial</li> <li>o risk bearing.</li> </ul> </li> <li>• definition of external economies of scale</li> <li>• types of external economies of scale: <ul style="list-style-type: none"> <li>o skilled labour</li> <li>o infrastructure</li> <li>o access to suppliers</li> <li>o similar businesses in area.</li> </ul> </li> </ul> <p>c) Diseconomies of scale:</p> <ul style="list-style-type: none"> <li>• definition of diseconomies of scale</li> <li>• types of diseconomies of scale: <ul style="list-style-type: none"> <li>o bureaucracy</li> <li>o communication problems</li> <li>o lack of control</li> <li>o distance between top management and workers at bottom of the organisation</li> </ul> </li> <li>• the use of long run average cost (LRAC) curve diagram, annotated to show internal economies of scale and diseconomies of scale and where the business will be most efficient.</li> </ul>

Subject content	What learners need to study:
1.2.4 Business competition	<p>Competition</p> <p>a) Advantages and disadvantages of competition to firms, consumers and the economy, including:</p> <ul style="list-style-type: none"> <li>• efficiency</li> <li>• choice</li> <li>• quality</li> <li>• innovation</li> <li>• price.</li> </ul> <p>b) Advantages and disadvantages of large firms and small firms.</p> <p>c) Factors influencing the growth of firms:</p> <ul style="list-style-type: none"> <li>• government regulation</li> <li>• access to finance</li> <li>• economies of scale</li> <li>• the desire to spread risk</li> <li>• the desire to take over competitors.</li> </ul> <p>d) Reasons firms stay small:</p> <ul style="list-style-type: none"> <li>• size of market</li> <li>• nature of market – niche</li> <li>• lack of finance</li> <li>• aims of the entrepreneur.</li> </ul> <p>Monopoly</p> <p>e) Definition of monopoly.</p> <p>f) Main features of monopoly:</p> <ul style="list-style-type: none"> <li>• one business dominates the market</li> <li>• unique product</li> <li>• price-maker</li> <li>• barriers to entry: <ul style="list-style-type: none"> <li>◦ legal barriers</li> <li>◦ patents</li> <li>◦ marketing budgets</li> <li>◦ technology</li> <li>◦ high start-up costs.</li> </ul> </li> </ul>



Subject content	What learners need to study:
	<p>g) Advantages and disadvantages of monopoly:</p> <ul style="list-style-type: none"> <li>• efficiency</li> <li>• choice</li> <li>• quality</li> <li>• innovation</li> <li>• price</li> <li>• economies of scale.</li> </ul> <p>Oligopoly</p> <p>h) Definition of oligopoly.</p> <p>i) Main features of oligopoly:</p> <ul style="list-style-type: none"> <li>• few firms</li> <li>• large firms dominate</li> <li>• different products</li> <li>• barriers to entry</li> <li>• collusion</li> <li>• non-price competition</li> <li>• price competition.</li> </ul> <p>j) Advantages and disadvantages of oligopoly:</p> <ul style="list-style-type: none"> <li>• choice</li> <li>• quality</li> <li>• innovation</li> <li>• collusion and cartels fixing high prices</li> <li>• price wars between oligopolies.</li> </ul>
1.2.5 The labour market	<p>a) Factors affecting the demand for labour:</p> <ul style="list-style-type: none"> <li>• demand for the final product (derived demand)</li> <li>• availability of substitutes, including machines</li> <li>• productivity of workforce.</li> </ul> <p>b) Factors affecting the supply of labour:</p> <ul style="list-style-type: none"> <li>• population size</li> <li>• migration</li> <li>• age distribution of population</li> <li>• retirement age</li> <li>• school-leaving age</li> <li>• female participation</li> <li>• skills and qualifications</li> <li>• ability to move geographic locations/move to different types of employment.</li> </ul>

Subject content	What learners need to study:
	<p>c) Importance of the quantity and quality of labour to business.</p> <p>d) Impact of education and training on human capital and quality of labour.</p> <p>e) The use of labour market diagrams showing:</p> <ul style="list-style-type: none"> <li>• supply of labour, demand for labour, market equilibrium wage and quantity of labour (employment)</li> <li>• effect of shifts in demand for labour and supply of labour.</li> </ul> <p>f) Trade union involvement in the labour market:</p> <ul style="list-style-type: none"> <li>• impact of trade union activity to improve working conditions and increase wages.</li> </ul>
1.2.6 Government intervention	<p>a) Government policy to deal with externalities:</p> <ul style="list-style-type: none"> <li>• taxation</li> <li>• subsidies</li> <li>• fines</li> <li>• regulation</li> <li>• pollution permits.</li> </ul> <p>b) Advantages and disadvantages of each government policy.</p> <p>c) Government regulation of competition to:</p> <ul style="list-style-type: none"> <li>• promote competition</li> <li>• limit monopoly power</li> <li>• protect consumer interests</li> <li>• control mergers and takeovers.</li> </ul> <p>d) Government intervention in the labour market:</p> <ul style="list-style-type: none"> <li>• reasons for minimum wage</li> <li>• advantages and disadvantages of minimum wage</li> <li>• the use of diagrams to show impact of the introduction of a minimum wage and the increase of a minimum wage.</li> </ul>

## Unit 2: Macroeconomics and the Global Economy

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### Externally assessed

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#### 2.1 Content description

In macroeconomics you will look at all the markets combined in a country. So you will now look at your own countries' and other countries' economies. You will look at the different objectives that governments will be concerned about. These include trying to achieve:

- low inflation
- low unemployment
- increases in economic growth
- surpluses or equilibrium on the current account of the balance of payments
- redistribution of income
- environmental protection.

For each objective, you will look at the issues and problems involved and how the government acts to improve the outcomes. You will then look at the global economy. This will involve looking at the benefits and problems of increased integration between economies of the globe. You will look at international trade and how countries come together as trading partners to boost growth. Exchange rates will also be looked at to consider how changes can affect an economy. You will study both developing and developed economies.

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## 2.2 Assessment information

- Examination of 1 hour and 30 minutes, set and marked by Pearson.
  - Single tier of entry.
  - The assessment is out of 80 marks, which will be converted to UMS.
  - The examination consists of four compulsory questions, each worth 20 marks. The questions are a combination of multiple-choice, short open-response and extended open-response questions.
  - Each question will be based on a particular topic from the subject content related to macroeconomics and the global economy. Due to the nature of economics, there is some interrelation between topics.
  - This unit is available as a paper-based or onscreen assessment.
-

## 2.3 Subject content

### Government and the economy

Subject content	What learners need to study:
2.1.1 Macroeconomic objectives	<p>a) Economic growth:</p> <ul style="list-style-type: none"> <li>• definition of economic growth</li> <li>• measurement using increases in gross domestic product (GDP)</li> <li>• limitations of GDP as a measure of growth</li> <li>• the use of diagrams to show the economic cycle: annotating boom, downturn, recession and recovery</li> <li>• the effect of each stage of the economic cycle on economic growth, inflation and unemployment</li> <li>• the impact of economic growth on:               <ul style="list-style-type: none"> <li>o employment</li> <li>o standards of living</li> <li>o poverty</li> <li>o productive potential</li> <li>o inflation</li> <li>o the environment.</li> </ul> </li> </ul> <p>b) Low and stable inflation:</p> <ul style="list-style-type: none"> <li>• definition of inflation</li> <li>• definition of deflation</li> <li>• measurement using consumer price index (CPI)</li> <li>• types of inflation:               <ul style="list-style-type: none"> <li>o demand pull</li> <li>o cost push.</li> </ul> </li> <li>• relationship between inflation and interest rates</li> <li>• impact of inflation on:               <ul style="list-style-type: none"> <li>o prices</li> <li>o wages</li> <li>o exports</li> <li>o unemployment</li> <li>o menu costs</li> <li>o shoe leather costs</li> <li>o uncertainty</li> <li>o business and consumer confidence</li> <li>o investment.</li> </ul> </li> </ul>

Subject content	What learners need to study:
	<p>c) Low unemployment:</p> <ul style="list-style-type: none"> <li>• definition of unemployment</li> <li>• measurement of unemployment using International Labour Organization (ILO) measure</li> <li>• types of unemployment: <ul style="list-style-type: none"> <li>o cyclical</li> <li>o structural</li> <li>o seasonal</li> <li>o voluntary</li> <li>o frictional.</li> </ul> </li> <li>• impact of unemployment on: <ul style="list-style-type: none"> <li>o output</li> <li>o use of scarce resources</li> <li>o poverty</li> <li>o government spending on benefits</li> <li>o tax revenue</li> <li>o consumer confidence</li> <li>o business confidence</li> <li>o society.</li> </ul> </li> </ul> <p>d) Surplus or balance on the current account of the balance of payments:</p> <ul style="list-style-type: none"> <li>• definition of current account on the balance of payments</li> <li>• current account deficits and surpluses</li> <li>• trade in goods (visibles) and services (invisibles)</li> <li>• relationship between current account and exchange rates</li> <li>• examples of real-world exchange rates</li> <li>• reasons for deficits and surpluses: <ul style="list-style-type: none"> <li>o quality of domestic goods</li> <li>o quality of foreign goods</li> <li>o price of domestic goods</li> <li>o price of foreign goods</li> <li>o exchange rates between countries.</li> </ul> </li> </ul>

Subject content	What learners need to study:
	<ul style="list-style-type: none"> <li>• impact of current account deficit: <ul style="list-style-type: none"> <li>◦ leakage from the economy</li> <li>◦ can be inflationary if prices rise abroad</li> <li>◦ low demand for our exports</li> <li>◦ problems finding foreign reserves to fund the deficit.</li> </ul> </li> </ul> <p>e) Protection of the environment:</p> <ul style="list-style-type: none"> <li>• business activity that damages the environment</li> <li>• ways businesses damage the environment: <ul style="list-style-type: none"> <li>◦ visual pollution, including litter</li> <li>◦ noise pollution</li> <li>◦ air pollution</li> <li>◦ water pollution.</li> </ul> </li> <li>• government intervention to protect the environment: <ul style="list-style-type: none"> <li>◦ taxation</li> <li>◦ subsidy</li> <li>◦ regulation</li> <li>◦ fines</li> <li>◦ pollution permits</li> <li>◦ government provision of parks.</li> </ul> </li> </ul> <p>f) Redistribution of income:</p> <ul style="list-style-type: none"> <li>• definition of income inequality</li> <li>• definition of absolute poverty</li> <li>• definition of relative poverty</li> <li>• reasons to reduce poverty and inequality: <ul style="list-style-type: none"> <li>◦ meet basic needs</li> <li>◦ raise standards of living</li> <li>◦ ethical reasons.</li> </ul> </li> <li>• government intervention to reduce inequality and poverty: <ul style="list-style-type: none"> <li>◦ progressive taxation</li> <li>◦ redistribution through benefit payments</li> <li>◦ investment in education and healthcare.</li> </ul> </li> </ul>

Subject content	What learners need to study:
2.1.2 Government policies	<p>a) Fiscal policy – government revenue and government expenditure:</p> <ul style="list-style-type: none"> <li>• definition of fiscal policy</li> <li>• government revenue – direct and indirect taxes</li> <li>• government expenditure – main areas of focus</li> <li>• fiscal deficits and fiscal surpluses</li> <li>• impact of a fiscal deficit and fiscal surplus</li> <li>• the impact of fiscal policy on macroeconomic objectives.</li> </ul> <p>b) Monetary policy – focused on interest rate changes:</p> <ul style="list-style-type: none"> <li>• definition of monetary policy</li> <li>• definition of interest rates</li> <li>• central banks role in setting interest rates</li> <li>• impact of changes in interest rates on macroeconomic objectives: <ul style="list-style-type: none"> <li>o the mechanism by which a change in interest rates affects consumers and businesses</li> <li>o awareness of asset purchasing used by central banks.</li> </ul> </li> </ul> <p>c) Supply-side policy:</p> <ul style="list-style-type: none"> <li>• definition of supply-side policy</li> <li>• supply-side policy and its impact on productivity and total output</li> <li>• the impact of supply-side policies on macroeconomic objectives: <ul style="list-style-type: none"> <li>o privatisation</li> <li>o deregulation</li> <li>o education and training</li> <li>o policies to boost regions with high unemployment</li> <li>o infrastructure spending</li> <li>o lower business taxes to stimulate investment</li> <li>o lower income tax rates to encourage working.</li> </ul> </li> </ul> <p>d) Government controls:</p> <ul style="list-style-type: none"> <li>• advantages and disadvantages of: <ul style="list-style-type: none"> <li>o regulation</li> <li>o legislation</li> <li>o fines</li> <li>o pollution permits.</li> </ul> </li> </ul>



Subject content	What learners need to study:
2.1.3 Relationships between objectives and policies	a) The impact of policies and the trade-off between macroeconomic objectives: <ul style="list-style-type: none"> <li>• unemployment and inflation</li> <li>• economic growth and inflation</li> <li>• economic growth and environmental protection</li> <li>• inflation and the current account on balance of payments.</li> </ul>

## The global economy

Subject content	What learners need to study:
2.2.1 Globalisation	<p>a) Definition of globalisation: increased integration and interdependence of economies.</p> <p>b) Reasons for globalisation:</p> <ul style="list-style-type: none"> <li>• fewer tariffs and quotas</li> <li>• reduced cost of transport</li> <li>• reduced cost of communication</li> <li>• increased significance of multinational corporations (MNCs).</li> </ul> <p>c) Impacts of globalisation and global companies on individual countries, governments, producers and consumers, workers and the environment:</p> <ul style="list-style-type: none"> <li>• rising living standards</li> <li>• greater choice</li> <li>• lower prices</li> <li>• reduced costs of communication</li> <li>• closing of traditional industries</li> <li>• environmental impact.</li> </ul> <p>d) Definition of multinational corporations (MNCs):</p> <ul style="list-style-type: none"> <li>• definition of foreign direct investment (FDI)</li> <li>• reasons for emergence of MNCs/FDI: <ul style="list-style-type: none"> <li>○ to benefit from economies of scale</li> <li>○ to access natural resources/cheap materials</li> <li>○ lower transport and communication costs</li> <li>○ to access customers in different regions.</li> </ul> </li> <li>• advantages and disadvantages of MNCs/ FDI: <ul style="list-style-type: none"> <li>○ creating jobs</li> <li>○ investing in infrastructure</li> <li>○ developing skills</li> <li>○ developing capital</li> <li>○ contributing to taxes</li> <li>○ avoiding paying taxes</li> <li>○ environmental damage</li> <li>○ moving profits abroad.</li> </ul> </li> </ul>

Subject content	What learners need to study:
2.2.2 International trade	<p>a) Advantages and disadvantages of free trade, including:</p> <ul style="list-style-type: none"> <li>• lower prices and increased choice for consumers</li> <li>• lower input costs</li> <li>• wider markets for businesses</li> <li>• foreign competition harming domestic businesses</li> <li>• increasing unemployment.</li> </ul> <p>b) Reasons for protection:</p> <ul style="list-style-type: none"> <li>• prevent dumping</li> <li>• protect employment</li> <li>• protecting infant industries</li> <li>• to gain tariff revenue</li> <li>• protect consumers from unsafe products</li> <li>• reducing current account deficits</li> <li>• retaliation.</li> </ul> <p>c) Methods of protection:</p> <ul style="list-style-type: none"> <li>• tariffs</li> <li>• quotas</li> <li>• subsidies</li> <li>• advantages and disadvantages of each method of protection</li> <li>• supply and demand diagrams to show tariffs, quotas and subsidies.</li> </ul> <p>d) Modern trading blocs:</p> <ul style="list-style-type: none"> <li>• impact of trading blocs on member and non-member countries</li> <li>• examples of trading blocs.</li> </ul> <p>e) Role of the World Trade Organization (WTO):</p> <ul style="list-style-type: none"> <li>• actions by the WTO.</li> </ul> <p>f) Trade patterns of developed and developing countries.</p>

Subject content	What learners need to study:
2.2.3 Exchange rates	<p>a) Definition of exchange rates.</p> <p>b) Factors affecting supply and demand of currencies:</p> <ul style="list-style-type: none"> <li>• interest rates</li> <li>• currency speculators</li> <li>• imports and exports of goods and services</li> <li>• supply and demand diagrams to show determination of exchange rates.</li> </ul> <p>c) Definition of appreciation:</p> <ul style="list-style-type: none"> <li>• definition of revaluation</li> <li>• impact of appreciation of exchange rate on: <ul style="list-style-type: none"> <li>o import and export prices</li> <li>o demand for imports and exports</li> <li>o current account on balance of payments.</li> </ul> </li> </ul> <p>d) Definition of depreciation:</p> <ul style="list-style-type: none"> <li>• definition of devaluation</li> <li>• impact of depreciation of exchange rate on: <ul style="list-style-type: none"> <li>o import and export prices</li> <li>o demand for imports and exports</li> <li>o current account on balance of payments.</li> </ul> </li> </ul>

### 3 Assessment information

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#### Assessment requirements

Unit	Level	Assessment information	Number of raw marks allocated in the unit
Unit 1: Microeconomics and Business Economics	1/2	Examination of 1 hour 30 minutes set and marked by Pearson.  This unit assessment is weighted at 50 per cent of the qualification.  Single tier of entry.  Learners may use a calculator.  This unit is available as a paper-based or onscreen assessment.	80
Unit 2: Macroeconomics and the Global Economy	1/2	Examination of 1 hour 30 minutes set and marked by Pearson.  This unit assessment is weighted at 50 per cent of the qualification.  Single tier of entry.  Learners may use a calculator.  This unit is available as a paper-based or onscreen assessment.	80

## Assessment objectives and weightings

		<b>% in International GCSE (Modular)</b>
<b>AO1</b>	Recall, select and communicate knowledge of economic terms, concepts and issues.	14–15
<b>AO2</b>	Demonstrate understanding and apply economic knowledge using appropriate terms, concepts, theories and calculations effectively in specific contexts.	48–49
<b>AO3</b>	Select, organise and interpret information from sources to investigate and analyse economic issues.	23–24
<b>AO4</b>	Evaluate economic information to make reasoned judgements and draw conclusions.	12–13

## Relationship of assessment objectives to units

<b>Unit</b>	<b>Assessment objective</b>			
	<b>AO1</b>	<b>AO2</b>	<b>AO3</b>	<b>AO4</b>
Unit 1	7.5%	24.4%	11.8%	6.3%
Unit 2	7.5%	24.4%	11.8%	6.3%
<b>Total for International GCSE (Modular)</b>	14–15%	48–49%	23–24%	12–13%

All units' assessments will be available from June 2024.

## 4 Administration and general information

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### Entries

Details of how to enter learners for the examinations for this qualification can be found in our *International Information Manual*. A copy is made available to all examinations officers and is available on our website.

Learners should be advised that if they take two qualifications in the same subject, colleges, universities and employers are very likely to take the view that they have achieved only one of the two GCSEs/International GCSE qualifications (Modular). Learners or their advisers who have any doubts about subject combinations should check with the institution to which they wish to progress before embarking on their programmes.

**This International GCSE in Economics (Modular) is available only to centres outside of the UK.**

### Access arrangements, reasonable adjustments, special consideration and malpractice

Equality and fairness are central to our work. Our equality policy requires all learners to have equal opportunity to access our qualifications and assessments, and our qualifications to be awarded in a way that is fair to every learner.

We are committed to making sure that:

- learners with a protected characteristic (as defined by the UK Equality Act 2010) are not, when they are undertaking one of our qualifications, disadvantaged in comparison to learners who do not share that characteristic
- all learners achieve the recognition they deserve for undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

### Language of assessment

Assessment of this qualification will be available in English only. All learner work must be in English.

We recommend that learners have the ability to read and write in English at level B2 of the Common European Framework of Reference for Languages (CEFR).

## Access arrangements

Access arrangements are agreed before an assessment. They allow learners with special educational needs, disabilities or temporary injuries to:

- access the assessment
- show what they know and can do without changing the demands of the assessment.

The intention behind an access arrangement is to meet the particular needs of an individual learner with a disability without affecting the integrity of the assessment. Access arrangements are the principal way in which awarding bodies comply with the duty under the Equality Act 2010 to make 'reasonable adjustments'.

Access arrangements should always be processed at the start of the course. Learners will then know what is available and have the access arrangement(s) in place for assessment.

## Reasonable adjustments

The UK Equality Act 2010 requires an awarding organisation to make reasonable adjustments where a learner with a disability would be at a substantial disadvantage in undertaking an assessment. The awarding organisation is required to take reasonable steps to overcome that disadvantage.

A reasonable adjustment for a particular learner may be unique to that individual and therefore might not be in the list of available access arrangements.

Whether an adjustment will be considered reasonable will depend on a number of factors, including:

- the needs of the learner with the disability
- the effectiveness of the adjustment
- the cost of the adjustment; and
- the likely impact of the adjustment on the learner with the disability and other learners.

An adjustment will not be approved if it involves unreasonable costs to the awarding organisation, timeframes or affects the security or integrity of the assessment. This is because the adjustment is not 'reasonable'.

## Special consideration

Special consideration is a post-examination adjustment to a learner's mark or grade to reflect temporary injury, illness or other indisposition at the time of the examination/assessment, which has had, or is reasonably likely to have had, a material effect on a candidate's ability to take an assessment or demonstrate his or her level of attainment in an assessment.

## Further information

Please see our website for further information about how to apply for access arrangements and special consideration.

For further information about access arrangements, reasonable adjustments and special consideration please refer to the JCQ website: [www.jcq.org.uk](http://www.jcq.org.uk).



## Candidate malpractice

Candidate malpractice refers to any act by a candidate that compromises or seeks to compromise the process of assessment or which undermines the integrity of the qualifications or the validity of results/certificates.

Candidate malpractice in controlled assessments discovered before the learner has signed the declaration of authentication form does not need to be reported to Pearson.

Candidate malpractice found in controlled assessments after the declaration of authenticity has been signed, and in examinations **must** be reported to Pearson using a *JCQ Form M1* (available at [www.jcq.org.uk/exams-office/malpractice](http://www.jcq.org.uk/exams-office/malpractice)). The form should be emailed to [candidatemalpractice@pearson.com](mailto:candidatemalpractice@pearson.com).

Please provide as much information and supporting documentation as possible. Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice constitutes staff or centre malpractice.

## Staff/centre malpractice

Staff and centre malpractice includes both deliberate malpractice and maladministration of our qualifications. As with candidate malpractice, staff and centre malpractice is any act that compromises or seeks to compromise the process of assessment or which undermines the integrity of the qualifications or the validity of results/certificates.

All cases of suspected staff malpractice and maladministration **must** be reported immediately, before any investigation is undertaken by the centre, to Pearson on a *JCQ Form M2(a)* (available at [www.jcq.org.uk/exams-office/malpractice](http://www.jcq.org.uk/exams-office/malpractice)).

The form, supporting documentation and as much information as possible should be emailed to [pqsmalpractice@pearson.com](mailto:pqsmalpractice@pearson.com). Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice itself constitutes malpractice.

More-detailed guidance on malpractice can be found in the latest version of the document *JCQ Suspected Malpractice: Policies and Procedures*, available at [www.jcq.org.uk/exams-office/malpractice](http://www.jcq.org.uk/exams-office/malpractice).

## Awarding and reporting

Pearson Edexcel International GCSE in Economics (Modular) will be graded on a nine-grade scale from 9 to 1. Individual unit results will be reported. All two units will contribute to the International GCSE (Modular) grade. The first certification opportunity for Pearson Edexcel International GCSE in Economics (Modular) will be in August 2025. Learners whose level of achievement is below the minimum judged by Pearson to be of sufficient standard to be recorded on a certificate will receive an unclassified U result.

For modular qualifications, the 'final mark' or the Uniform Mark Scale (UMS) mark is different from the score on the exam paper - the so-called 'raw mark'.

The purpose of UMS is to ensure that where learners complete a unit in different series, the value of their score is maintained when certificating.

Learners will receive a uniform mark between 0 and the maximum uniform mark for each unit.

### Unit results

This shows the total UMS for each unit and the associated grade boundaries. Students will receive a uniform mark between 0 and the maximum uniform mark for each unit.

Unit grade	Maximum uniform mark	9	8	7	6	5	4	3	2	1	U
	90	81	72	63	54	45	36	27	18	9	0

### Qualification results

This shows the total UMS for the qualification as a whole and the associated grade boundaries. The minimum uniform marks required for each grade:

International GCSE Economics (modular) (cash-in code: 4XEC1)

Qualification grade	Maximum uniform mark	9	8	7	6	5	4	3	2	1	U
	180	162	144	126	108	90	72	54	36	18	0

Students with a uniform mark in the range 0-17 will be Unclassified.

### Resitting of units

Learners can resit any unit irrespective of whether the qualification is to be cashed in. If a learner resits a unit more than once, only the better of the two most recent attempts of that unit will be available for aggregation to a qualification grade.

Results of units will be held in Pearson Edexcel's unit bank for as many years as this specification remains available. Once International GCSE in Economics (Modular) has been certificated, all unit results are deemed to be used up at that level. These results cannot be used again towards a further award of the same qualification at the same level.

## **Learner recruitment and progression**

Pearson's policy concerning recruitment to our qualifications is that:

- they must be available to anyone who is capable of reaching the required standard
- they must be free from barriers that restrict access and progression
- equal opportunities exist for all learners.

### **Prior learning and other requirements**

There are no prior learning or other requirements for this qualification.

### **Progression**

Learners can progress from this qualification to:

- International AS and A Levels in Economics and other subjects
- vocational qualifications, such as BTEC Nationals.



# Appendices

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## Appendix 1: Codes

Type of code	Use of code	Code
Cash-in codes	Cash-in codes are used in combination with entry codes to aggregate the learner's unit scores to obtain the overall grade for the qualification.	4XEC1
Entry codes	To enter the learner for their examination, unit codes are used as entry codes.  To obtain the overall grade for the qualification, entry codes are used in combination with cash-in codes.	Please refer to the Pearson Edexcel <i>Information Manual</i> , available on the <a href="#">Pearson qualifications website</a> .
Unit codes	Each unit is assigned a unit code. This unit code is used as an entry code to indicate that a learner wishes to take the assessment for a particular unit.	Unit 1: 4WEC1/01 Unit 2: 4WEC2/01

## Appendix 2: Command word taxonomy

### Command word taxonomy

The table below lists the command words that may be used in question papers for the Pearson Edexcel International GCSE in Economics (Modular) and an outline of what each type of question requires learners to do.

Command word	Definition
Analyse	Write an extended answer, requiring the expansion and exploration of an economic concept or issue. The answer will be placed in context by the question.
Assess	Write an extended answer, using given information to weigh up factors and compare them in an economics context.
Calculate	Use mathematical skills to reach the answer, based on given data. Calculators may be used and workings should be given.
Define	Define a term from the specification content.
Describe	Identify and briefly develop a consequence of an economic event.
Draw	Draw a diagram containing two/three separate awardable points.
Evaluate	Write an extended answer, applying knowledge of specification content, to reach a supported conclusion about an economic situation.
Explain	Give a statement of fact, with two further expansion points. These may expand on each other, or both from the same fact. The answer will be placed in context by the question.
State	Give an answer, no longer than a sentence, referring to a piece of information from the specification content.
What is meant by	Define the term $x$ where $x$ is a term from the specification content. There must be two separate parts to the definition.



## Appendix 3: Quantitative skills

The list below states the range and extent of mathematical skills that learners are required to know for this qualification. Learners must be able to draw on the knowledge and understanding learned from the subject content to apply these skills to relevant economics contexts.

The level of mathematics content in the question papers will be equivalent to upper secondary mathematics.

### Calculations

- Calculation of percentages and percentage changes, including interest on savings.
- Calculation of averages, including cost.
- Calculation of totals, including revenue, costs and profit.
- Calculation of income, including gross and net pay.

### Construction of graphs

- Construction of graphs from data, including supply and demand curves.

### Interpretation and use of quantitative data to support and justify economic decisions

- Interpretation and use of information from graphs and charts.
- Interpretation and use of economic data, such as unemployment figures, exports and imports.

These quantitative skills will be assessed in both Unit 1 and Unit 2, totalling 10 per cent of the marks available for the qualification. Questions involving quantitative skills will always be in a business context.

These skills will be sampled in the question papers but all will be covered over the lifetime of the qualification.

## Appendix 4: Transferable skills

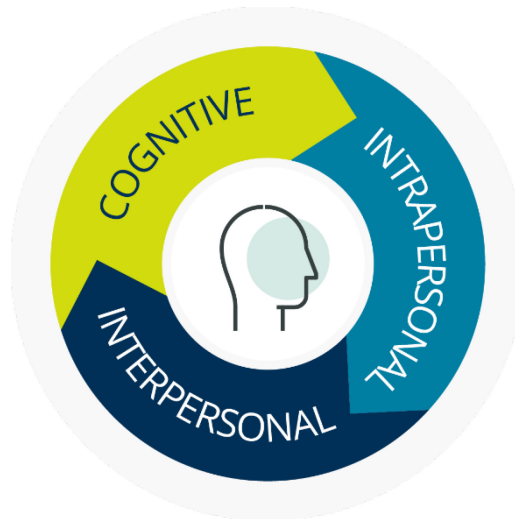
### The need for transferable skills

In recent years, higher-education institutions and employers have consistently flagged the need for learners to develop a range of transferable skills to enable them to respond with confidence to the demands of undergraduate study and the world of work.

The Organisation for Economic Co-operation and Development (OECD) defines skills, or competencies, as ‘the bundle of knowledge, attributes and capacities that can be learned and that enable individuals to successfully and consistently perform an activity or task and can be built upon and extended through learning.’<sup>[1]</sup>

To support the design of our qualifications, the Pearson Research Team selected and evaluated seven global 21st-century skills frameworks. Following on from this process, we identified the National Research Council’s (NRC) framework <sup>[2]</sup> as the most evidence-based and robust skills framework, and have used this as a basis for our adapted skills framework.

The framework includes cognitive, intrapersonal skills and interpersonal skills.



The skills have been interpreted for this specification to ensure they are appropriate for the subject. All of the skills listed are evident or accessible in the teaching, learning and/or assessment of the qualification. Some skills are directly assessed. Pearson materials will support you in identifying these skills and developing these skills in learners.

The table overleaf sets out the framework and gives an indication of the skills that can be found in Economics and indicates the interpretation of the skill in this area. A full subject interpretation of each skill, with mapping to show opportunities for learner development is given on the subject pages of our website: [qualifications.pearson.com](https://qualifications.pearson.com).

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<sup>1</sup> OECD – *Better Skills, Better Jobs, Better Lives* (OECD Publishing, 2012)

<sup>2</sup> Koenig J A, National Research Council – *Assessing 21st Century Skills: Summary of a Workshop* (National Academies Press, 2011)

<b>Cognitive skills</b>	Cognitive processes and strategies	<ul style="list-style-type: none"> <li>• Critical thinking</li> <li>• Problem solving</li> <li>• Analysis</li> <li>• Reasoning</li> <li>• Interpretation</li> <li>• Decision making</li> <li>• Adaptive learning</li> <li>• Executive function</li> </ul>	<p><b>Reasoning</b> for Economics</p> <p>Developing clear arguments using advantages and disadvantages</p>
	Creativity	<ul style="list-style-type: none"> <li>• Creativity</li> <li>• Innovation</li> </ul>	
<b>Intrapersonal skills</b>	Intellectual openness	<ul style="list-style-type: none"> <li>• Adaptability</li> <li>• Personal and social responsibility</li> <li>• Continuous learning</li> <li>• Intellectual interest and curiosity</li> </ul>	<p><b>Initiative</b> for Economics</p> <p>Researching real-life economics articles from newspapers and online</p>
	Work ethic/ conscientiousness	<ul style="list-style-type: none"> <li>• Initiative</li> <li>• Self-direction</li> <li>• Responsibility</li> <li>• Perseverance</li> <li>• Productivity</li> <li>• Self-regulation (metacognition, forethought, reflection)</li> <li>• Ethics</li> <li>• Integrity</li> </ul>	
	Positive core self-evaluation	<ul style="list-style-type: none"> <li>• Self-monitoring/ self-evaluation/ self-reinforcement</li> </ul>	
<b>Interpersonal skills</b>	Teamwork and collaboration	<ul style="list-style-type: none"> <li>• Communication</li> <li>• Collaboration</li> <li>• Teamwork</li> <li>• Cooperation</li> <li>• Interpersonal skills</li> </ul>	<p><b>Collaboration</b> for Economics</p> <p>Working in teams on research projects and delivering presentations</p>
	Leadership	<ul style="list-style-type: none"> <li>• Leadership</li> <li>• Responsibility</li> <li>• Assertive communication</li> <li>• Self-presentation</li> </ul>	

## Appendix 5: Glossary

Term	Definition
Assessment objectives	The requirements that learners need to meet to succeed in the qualification. Each assessment objective has a unique focus, which is then targeted in examinations or non-examined assessment (NEA). Assessment objectives may be assessed individually or in combination.
Cash-in codes	Cash-in codes are used in combination with entry codes to aggregate the learner's unit scores to obtain the overall grade for the qualification.
Entry codes	To enter the learner for their examination, unit codes are used as entry codes.  To obtain the overall grade for the qualification, entry codes are used in combination with cash-in codes.
External assessment	Assessment set and marked by an awarding organisation, taken by centres at the same time in the global region.
JCQ	Joint Council for Qualifications. This is a group of UK exam boards which develops policy related to the administration of examinations.
Modular	Modular qualifications contain units of assessment. These units can be taken during the course of study. The final qualification grade is worked out from the combined unit results.
Uniform mark scale (UMS)	A learner's actual marks (or raw marks) will be converted into a UMS mark so that it is possible to see the proportionate result of a learner. The raw marks for each unit may differ, but the uniform mark will be the same.
Unit	A modular qualification will be divided into a number of units. Each unit will have its own assessment.
Unit codes	Each unit is assigned a unit code. This unit code is used as an entry code to indicate that a learner wishes to take the assessment for a particular unit.



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