

## **A Level Economics**

In line with the advance information that has been released this week, please find the content listed below. In addition to covering the content outlined in the advance information, students and teachers should consider how to manage their revision of other parts of the specification that may provide knowledge which helps with understanding the areas being tested in 2022.

Pearson Edexcel A Level Economics Specification B, papers 1 & 2 - questions within these papers will sample content only from the areas specified in this notice. For paper 03, students will not be disadvantaged if solely using the areas indicated in this document, however students' responses to individual questions, where relevant, may draw upon other areas of specification content not listed, and credit will be given for this where appropriate. Students should draw upon knowledge, skills and understanding from across the specification when responding to synoptic questions, and again credit will be given where this occurs beyond the content listed.

### **Paper 1**

#### **Theme 1: Markets, consumers and firms**

##### **1.1 Scarcity, choice and potential conflicts**

- 1.1.1 The economic problem

##### **1.2 Enterprise, business and the economy**

- 1.2.5 The wider economic environment

##### **1.3 Introducing the market**

- 1.3.1 Demand
- 1.3.2 Supply
- 1.3.3 Price determination
- 1.3.5 Understanding the consumer

##### **1.5 Market failure and government intervention**

- 1.5.1 Market failure and externalities
- 1.5.2 Government intervention and failure

##### **1.6 Revenue, costs, profits and cash**

- 1.6.3 Profit and loss

#### **Theme 4: Making markets work**

##### **4.1 Competition and market power**

- 4.1.1 Spectrum of competition
- 4.1.3 Oligopoly

##### **4.2 Market power and market failure**

- 4.2.2 Business regulation
- 4.2.3 Arguments for and against regulation

#### 4.3 Market failure across the economy

- 4.3.1 Market failure in society
- 4.3.2 Externalities
- 4.3.3 Policies to deal with market failure

#### 4.4 Macroeconomic policies and impact on firms and individuals

- 4.4.1 The AD/AS model
- 4.4.2 Demand-side policies
- 4.4.3 Supply-side policies
- 4.4.4 The impact of macroeconomic policies

#### 4.5 Risk and the financial sector

- 4.5.3 The role of the central bank

### **Paper 2**

#### **Theme 2: The wider economic environment**

##### 2.3 Productive efficiency

- 2.3.1 Productivity

##### 2.4 Life in a global economy

- 2.4.1 Globalisation
- 2.4.2 Developed, emerging and developing economies

##### 2.5 The economic cycle

- 2.5.2 Circular flow of income, expenditure and output
- 2.5.3 Inflation

##### 2.6 Introduction to macroeconomic policy

- 2.6.3 Potential policy conflicts and trade-offs

#### **Theme 3: The global economy**

##### 3.1 Globalisation

- 3.1.1 Growing economies
- 3.1.2 Trade and growth

##### 3.2 Economic factors in business expansion

- 3.2.2 Assessing the potential of different economies

##### 3.5 Global Labour Markets

- 3.5.3 Minimum wage legislation

##### 3.6 Inequality and re-distribution

- 3.6.1 Poverty and inequality

### **Paper 3**

## **Theme 2: The wider economic environment**

### 2.4 Life in a global economy

- 2.4.2 Developed, emerging and developing economies

### 2.6 Introduction to macroeconomic policy

- 2.6.3 Potential policy conflicts and trade-offs

## **Theme 3: The global economy**

### 3.1 Globalisation

- 3.1.1 Growing economies
- 3.1.3 Trading blocs
- 3.1.5 Exchange rate changes

### 3.4 Impact of globalisation on local and national economies

- 3.4.1 The impact of multinational corporations (MNCs)

## **Theme 4: Making markets work**

### 4.4 Macroeconomic policies and impact on firms and individuals

- 4.4.2 Demand-side policies