

# Syllabus

Cambridge International A & AS Level Economics  
Syllabus code 9708  
For examination in June and November 2012



UNIVERSITY *of* CAMBRIDGE  
International Examinations



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# 1. Introduction

## 1.1 Why choose Cambridge?

University of Cambridge International Examinations (CIE) is the world's largest provider of international qualifications. Around 1.5 million students from 150 countries enter Cambridge examinations every year. What makes educators around the world choose Cambridge?

### Recognition

A Cambridge International A or AS Level is recognised around the world by schools, universities and employers. The qualifications are accepted as proof of academic ability for entry to universities worldwide, though some courses do require specific subjects. Cambridge International A Levels typically take two years to complete and offer a flexible course of study that gives students the freedom to select subjects that are right for them. Cambridge International AS Levels often represent the first half of an A Level course but may also be taken as a freestanding qualification. They are accepted in all UK universities and carry half the weighting of an A Level. University course credit and advanced standing is often available for Cambridge International A/AS Levels in countries such as the USA and Canada. Learn more at [www.cie.org.uk/recognition](http://www.cie.org.uk/recognition).

### Support

CIE provides a world-class support service for teachers and exams officers. We offer a wide range of teacher materials to Centres, plus teacher training (online and face-to-face) and student support materials. Exams officers can trust in reliable, efficient administration of exams entry and excellent, personal support from CIE Customer Services. Learn more at [www.cie.org.uk/teachers](http://www.cie.org.uk/teachers).

### Excellence in education

Cambridge qualifications develop successful students. They not only build understanding and knowledge required for progression, but also learning and thinking skills that help students become independent learners and equip them for life.

### Not-for-profit, part of the University of Cambridge

CIE is part of Cambridge Assessment, a not-for-profit organisation and part of the University of Cambridge. The needs of teachers and learners are at the core of what we do. CIE invests constantly in improving its qualifications and services. We draw upon education research in developing our qualifications.

# 1. Introduction

## 1.2 Why choose Cambridge International A & AS Level Economics?

Success in Cambridge International A Level & AS Level Economics is accepted by universities and employers as proof of essential knowledge and ability. Successful Cambridge International A & AS Level candidates gain lifelong skills, including:

- the ability to explain and analyse economic issues and arguments
- the ability to evaluate economic information and organise, present and communicate ideas and judgements clearly
- a sound foundation of economic ideas including an introduction to the price system and government intervention, international trade and exchange rates, the measurement of employment and inflation and the causes and consequences of inflation.

## 1.3 Cambridge Advanced International Certificate of Education (AICE)

Cambridge AICE is the group award of Cambridge International Advanced Supplementary Level and Advanced Level (AS Level and A Level).

Cambridge AICE involves the selection of subjects from three curriculum areas – Mathematics and Science; Languages; Arts and Humanities.

An A Level counts as a double-credit qualification and an AS Level as a single-credit qualification within the Cambridge AICE award framework. Half-credits are also available in English Language and Literature in English and may be combined to obtain the equivalent of a single credit.

To be considered for an AICE Diploma, a candidate must earn the equivalent of six credits by passing a combination of examinations at either double credit or single credit, with at least one course coming from each of the three curriculum areas.

The examinations are administered in May/June and October/November sessions each year. A candidate working towards the Cambridge AICE Diploma may use up to three sessions to take the equivalent of six credits as long as they are taken within a 13-month period.

Economics (9708) falls into Group C, Arts and Humanities.

Learn more about AICE at <http://www.cie.org.uk/qualifications/academic/uppersec/aice>.

# 1. Introduction

## 1.4 How can I find out more?

### If you are already a Cambridge Centre

You can make entries for this qualification through your usual channels, e.g. CIE Direct. If you have any queries, please contact us at **international@cie.org.uk**.

### If you are not a Cambridge Centre

You can find out how your organisation can become a Cambridge Centre. Email us at **international@cie.org.uk**. Learn more about the benefits of becoming a Cambridge Centre at **www.cie.org.uk**.

## 2. Assessment at a glance

### Cambridge International A & AS Level Economics Syllabus code 9708

No previous study of the subject is assumed by the syllabus.

Centres and candidates may choose to:

- take all Advanced Level (A Level) and Advanced Subsidiary Level (AS Level) components at one exam session, leading to the full A Level qualification (Papers 1, 2, 3 and 4)
- take the AS Level components (Papers 1 and 2) at one exam session and, having received the AS qualification, take both A Level components (Papers 3 and 4) at a later session, leading to the full A Level qualification
- take the AS Level components only (Papers 1 and 2) at one exam session, leading to the AS qualification.

Paper	Weighting	
	AS Level	A Level
<b>Paper 1</b> 30 multiple choice questions (Core)	40%	20%
<b>Paper 2</b> (a) Data response (Core) 1 question (b) Structured essay (Core) 1 from a choice of 3	30%	15%
<b>Paper 3</b> 30 multiple choice questions (Supplement)		15%
<b>Paper 4</b> (a) Data response (Supplement) 1 question (b) Essays (Supplement) 2 from a choice of 6		10%
		25%

Papers 1 and 2 are for both AS Level and A Level candidates. Papers 3 and 4 test the topics in the Supplement, but also require a knowledge and understanding of the topics in the Core.

# 2. Assessment at a glance

## Availability

This syllabus is examined in the May/June examination session and the October/November examination session.

This syllabus is available to private candidates.

Centres in the UK that receive government funding are advised to consult the CIE website **[www.cie.org.uk](http://www.cie.org.uk)** for the latest information before beginning to teach this syllabus.

## Combining this with other syllabuses

Candidates can combine this syllabus in an examination session with any other CIE syllabus.

# 3. Syllabus aims and assessment

## 3.1 Aims

The Cambridge International A & AS Level Economics syllabus aims to:

- provide a basis of factual knowledge of economics
- encourage the student to develop:
  - a facility for self-expression, not only in writing but also in using additional aids, such as statistics and diagrams, where appropriate
  - the habit of using works of reference as sources of data specific to economics
  - the habit of reading critically to gain information about the changing economy we live in
  - an appreciation of the methods of study used by the economist, and of the most effective ways economic data may be analysed, correlated, discussed and presented.

## 3.2 Assessment objectives

There are five Assessment Objectives (AOs) for A & AS Level economics. Students are expected to:

AO1: Demonstrate knowledge and understanding of the specified content.

AO2: Interpret economic information presented in verbal, numerical or graphical form.

AO3: Explain and analyse economic issues and arguments, using relevant economic concepts, theories and information.

AO4: Evaluate economic information, arguments, proposals and policies, taking into consideration relevant information and theory, and distinguishing facts from hypothetical statements and value judgements.

AO5: Organise, present and communicate economic ideas and informed judgements in a clear, logical and appropriate form.

The multiple choice components (Papers 1 and 3) will particularly test Assessment Objectives 1, 2 and 3.

The data response part of Papers 2 and 4 will particularly test Assessment Objectives 2 and 3, and to a lesser extent Assessment Objectives 1, 4 and 5.

The essay part of Papers 2 and 4 will particularly test Assessment Objectives 1, 3, 4 and 5, and to a lesser extent Assessment Objective 2.

# 4. Curriculum content: Core (AS Level and A Level)

Candidates for AS Level should study only the Core material.

Candidates for A Level should study both Core and Supplementary topics.

## 1. Basic economic ideas

CORE: AS Level	Examples of other concepts and terms included
<p><b>Basic economic ideas</b></p> <p>(a) Scarcity, choice and resource allocation</p> <ol style="list-style-type: none"> <li>i. Meaning of scarcity and the inevitability of choices at all levels (individual, firms, governments)</li> <li>ii. Opportunity cost</li> <li>iii. Basic questions of what will be produced, how and for whom</li> </ol> <p>(b) Different allocative mechanisms</p> <ol style="list-style-type: none"> <li>i. Market economies</li> <li>ii. Planned economies</li> <li>iii. Mixed economies</li> </ol> <p>Problems of transition when central planning in an economy is reduced</p> <p>(c) Production possibility curve – shape and shifts</p> <p>(d) The margin: decision making at the margin</p> <p>(e) Positive and normative statements</p> <p>(f) Ceteris paribus</p> <p>(g) Factors of production: land, labour, capital, enterprise</p> <p>(h) Division of labour</p> <p>(i) Money: its functions and characteristics</p>	<p>barter</p> <p>cheques</p> <p>coincidence of wants</p> <p>command economy</p> <p>costs of production</p> <p>division of labour</p> <p>economic goods</p> <p>economic growth</p> <p>economic problem</p> <p>entrepreneur</p> <p>fixed capital</p> <p>fixed capital formation</p> <p>free goods</p> <p>interest</p> <p>investment</p> <p>law (economic)</p> <p>liquidity</p> <p>macroeconomics</p> <p>market</p> <p>market system</p> <p>maximisation</p> <p>measure of value</p> <p>medium of exchange</p> <p>microeconomics</p> <p>needs</p> <p>other things being equal</p> <p>primary sector</p> <p>production frontier</p> <p>production transformation curve</p> <p>resources</p> <p>secondary sector</p> <p>Smith, Adam</p>

**1. Basic economic ideas (Core) continues on next page**

# 4. Curriculum content: Core (AS Level and A Level)

## **1. Basic economic ideas (Core) continued**

specialisation standard of deferred payments store of wealth tertiary sector unit of account value judgement wants working capital
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# 4. Curriculum content: Core (AS Level and A Level)

## 2. The price system and the theory of the firm

CORE: AS Level	Examples of other concepts and terms included
<p><b>The price system</b></p> <p>(a) Individual demand curves</p> <p>(b) Aggregation of individual demand curves to give market demand</p> <p>(c) Factors influencing demand</p> <p>(d) Movements along and shifts of a demand curve</p> <p>(e) Price, income and cross- elasticities of demand</p> <p>    i. Meaning and calculation</p> <p>    ii. Factors affecting</p> <p>    iii. Implications for revenue and business decisions</p> <p>(f) Firms' supply curves</p> <p>    Aggregation of individual firms' supply curves to give market supply</p> <p>(g) Factors influencing market supply, including indirect taxes and subsidies</p> <p>    Movements along and shifts of a supply curve</p> <p>(h) Price elasticity of supply: determinants, implications for speed/ease with which businesses react to changed market conditions</p> <p>(i) Interaction of demand and supply: equilibrium price and quantity</p> <p>    i. Meaning of equilibrium and disequilibrium</p> <p>    ii. Effects of changes in supply and demand on equilibrium price and quantity</p> <p>    iii. Applications of demand and supply analysis</p> <p>(j) Consumer surplus</p> <p>(k) Prices as rationing and allocative mechanisms</p>	<p>ad valorem tax</p> <p>change in demand</p> <p>change in quantity demanded</p> <p>complementary goods</p> <p>composite demand</p> <p>demand conditions</p> <p>demand schedule</p> <p>derived demand</p> <p>direct taxation</p> <p>disequilibrium</p> <p>effective demand</p> <p>elastic</p> <p>equilibrium</p> <p>equilibrium price</p> <p>equilibrium quantity</p> <p>impact of tax</p> <p>incidence of tax</p> <p>income tax</p> <p>inelastic</p> <p>inferior good</p> <p>joint demand</p> <p>joint supply</p> <p>law of demand</p> <p>law of supply</p> <p>normal good</p> <p>perfectly elastic</p> <p>perfectly inelastic</p> <p>perishability</p> <p>price mechanism</p> <p>rectangular hyperbola</p> <p>specific tax</p> <p>stocks</p> <p>substitute goods</p> <p>supply conditions</p> <p>total revenue</p> <p>unitary elasticity</p>

# 4. Curriculum content: Core (AS Level and A Level)

## 3. Government intervention in the price system

CORE: AS Level	Examples of other concepts and terms included
<p><b>Government intervention in the price system</b></p> <p>(a) Externalities</p> <p>(b) Social costs as the sum of private costs and external costs Social benefits as the sum of private benefits and external benefits</p> <p>(c) Decision making using cost-benefit analysis</p> <p>(d) Private goods and public goods Merit goods and demerit goods</p> <p>(e) Government intervention via maximum price controls, price stabilisation, taxes, subsidies, direct provision of goods and services</p>	<p>excise duties</p> <p>external benefit</p> <p>external cost</p> <p>free rider</p> <p>government expenditure</p> <p>imperfections</p> <p>information failure</p> <p>negative externality</p> <p>non-excludability</p> <p>non-rivalness</p> <p>positive externality</p>

# 4. Curriculum content: Core (AS Level and A Level)

## 4. International Trade

CORE: AS Level	Examples of other concepts and terms included
<p><b>International Trade</b></p> <p>(a) Principles of absolute and comparative advantage, and their real-world limitations Other explanations/determinants of trade flows Opportunity cost concept allied to trade</p> <p>(b) Arguments for free trade and motives for protection</p> <p>(c) Types of protection and their effects</p> <p>(d) Economic integration: free trade area, customs union, economic union</p> <p>(e) Terms of trade</p> <p>(f) Components of the balance of payments</p>	<p>bilateral trade</p> <p>capital account of balance of payments</p> <p>comparative costs</p> <p>current account of balance of payments</p> <p>current transfers</p> <p>deficit</p> <p>dumping</p> <p>exports</p> <p>external balance</p> <p>financial account of balance of payments</p> <p>globalisation</p> <p>imports</p> <p>infant industry argument</p> <p>invisible balance</p> <p>multilateral trade</p> <p>net errors and omissions</p> <p>quota</p> <p>sunrise/sunset industries</p> <p>surplus</p> <p>tariff</p> <p>trade creation</p> <p>trade diversion</p> <p>trading possibility curve</p> <p>visible balance</p>

# 4. Curriculum content: Core (AS Level and A Level)

## 5. Theory and measurement in the macroeconomy

CORE: AS Level	Examples of other concepts and terms included
<p><b>Theory and measurement in the macroeconomy</b></p> <p>(a) Employment statistics</p> <ul style="list-style-type: none"> <li>Size and components of labour force</li> <li>Labour productivity</li> <li>Definition of unemployment</li> <li>Unemployment rate; patterns and trends in (un)employment</li> <li>Difficulties involved in measuring unemployment</li> </ul> <p>(b) General price level: price indices</p> <p>(c) Money and real data</p> <p>(d) Shape and determinants of AD</p> <ul style="list-style-type: none"> <li>Shape and determinants of AS</li> <li>Interaction of AD and AS: determination of level of output, prices and employment</li> </ul>	<p>base date</p> <p>claimant count</p> <p>consumer price index</p> <p>cost of living</p> <p>deflation</p> <p>dependency ratio</p> <p>household expenditure</p> <p>labourforce survey</p> <p>nominal value</p> <p>participation rate</p> <p>real value</p> <p>Retail Prices Index</p> <p>weights</p> <p>working population</p>

# 4. Curriculum content: Core (AS Level and A Level)

## 6. Macroeconomic problems

CORE: AS Level	Examples of other concepts and terms included
<p><b>Macroeconomic problems</b></p> <p>(a) Inflation</p> <ol style="list-style-type: none"> <li>Definition of inflation; degrees of inflation</li> <li>Causes of inflation</li> <li>Consequences of inflation</li> </ol> <p>(b) Balance of payments problems</p> <ol style="list-style-type: none"> <li>Meaning of balance of payments equilibrium and disequilibrium</li> <li>Causes of balance of payments disequilibrium</li> <li>Consequences of balance of payments disequilibrium on domestic and external economy</li> </ol> <p>(c) Fluctuations in foreign exchange rates</p> <ol style="list-style-type: none"> <li>Definitions and measurement of exchange rates – nominal, real, trade-weighted exchange rates</li> <li>Determination of exchange rates – floating, fixed, managed float</li> <li>Factors underlying fluctuations in exchange rates</li> <li>Effects of changing exchange rates on the economy</li> </ol>	<p>anticipated inflation            appreciation            cost-push inflation            deflation            demand-pull inflation            depreciation            devaluation            fiscal boost            fiscal drag            foreign exchange            hyperinflation            IMF            J-curve            Marshall-Lerner condition            menu costs            monetary inflation            purchasing power parity            Quantity Theory of Money            reflation            revaluation            shoe leather costs            stagflation            trade-weighted exchange rate            unanticipated inflation            velocity of circulation            wage drift</p>

## 7. Macroeconomic policies

CORE: AS Level	Examples of other concepts and terms included
<p><b>Macroeconomic policies</b></p> <p>Policies designed to correct balance of payments disequilibrium or influence the exchange rate</p> <p>Comment on possible conflicts between policy objectives on inflation, balance of payments and exchange rate</p>	<p>exchange controls            expenditure dampening            expenditure switching            interest rate policy            trade-off(s)</p>

# 5. Curriculum content: Supplement (A Level only)

## 1. Basic economic ideas

SUPPLEMENT: Additional material for A Level	Examples of other concepts and terms included
<b>Basic economic ideas</b> Efficient resource allocation Concept of economic efficiency: productive and allocative efficiency	optimum resource allocation

## 2. The price system and the theory of the firm

SUPPLEMENT: Additional material for A Level	Examples of other concepts and terms included
<b>The price system and the theory of the firm</b> (a) Law of Diminishing Marginal Utility and its relationship to derivation of an individual demand schedule and curve Equi-marginal principle Limitations of marginal utility theory (b) Budget lines Income and substitution effects of a price change. (c) Short-run production function: fixed and variable factors of production, total product, average product and marginal product Law of diminishing returns (Law of variable proportions) (d) Demand for labour: meaning and factors affecting demand for labour derivation of individual firm's demand for a factor using marginal revenue product theory (e) Supply of labour – meaning and factors affecting supply Net advantages and the long-run supply of labour (f) Wage determination under free market forces (competitive product and factor markets) The role of trade unions and government in wage determination Wage differentials and economic rent	average fixed cost average variable cost barriers to exit cartel closed shop collective bargaining decreasing returns diseconomies of scale economies of large dimensions financial economies of scale horizontal integration immobility of labour imperfect competition increasing returns industrial concentration integration marginal physical product mobility of labour monopsony natural monopoly non-pecuniary advantages occupational mobility paradox of value

***2. The price system and the theory of the firm (Supplement) continues on next page***

# 5. Curriculum content: Supplement (A Level only)

## **2. The price system and the theory of the firm (Supplement) continued**

(g) Long-run production function Returns to scale	pecuniary advantages price agreements risk-bearing economies of scale
(h) Economist's versus accountant's definition of costs Marginal cost and average cost Short-run cost function – fixed costs versus variable costs Explanation of shape of SRAC	sales maximisation sales revenue maximisation satisficing profits second-best theory
(i) Long-run cost function Explanation of shape of LRAC Relationship between economies of scale and decreasing costs Internal and external economies of scale	shares supernormal profit technical economies transactions demand for money
(j) Survival of small firms Growth of firms	transfer earnings vertical integration
(k) Relationship between elasticity, marginal, average and total revenue for a downward-sloping demand curve	
(l) Concepts of firm and industry	
(m) Traditional objective of firm – profit maximisation Normal and abnormal profit An awareness of other objectives of firm	
(n) Different market structures – perfect competition, monopoly, monopolistic, competition, oligopoly Structure of markets as explained by number of buyers and sellers, nature of product, degree of freedom of entry and nature of information Contestable markets	
(o) Conduct of firms – pricing policy and non-price policy, including price discrimination, price leadership models and mutual interdependence in the case of oligopolies	
(p) Performance of firms – in terms of output, profits and efficiency Comparisons with regard to economic efficiency, barriers to entry, price competition, non-price competition and collusion	

# 5. Curriculum content: Supplement (A Level only)

## 3. Government intervention in the price system

<b>SUPPLEMENT: Additional material for A Level</b>	<b>Examples of other concepts and terms included</b>
<b>Government intervention in the price system</b> (a) Sources of market failure (b) Meaning of deadweight losses Market imperfections – existence of monopolistic elements (c) Objectives of government microeconomic policy: efficiency, equity (d) Policies to correct market failure: regulation Policies towards income and wealth redistribution Effectiveness of government policies (e) Privatisation	supply-side economics government failure

## 4. International Trade

<b>THERE IS NO SUPPLEMENT SECTION FOR INTERNATIONAL TRADE</b>

# 5. Curriculum content: Supplement (A Level only)

## 5. Theory and measurement in the macroeconomy

SUPPLEMENT: Additional material for A Level	Examples of other concepts and terms included
<p><b>Theory and measurement in the macroeconomy</b></p> <p>(a) National income statistics</p> <ol style="list-style-type: none"> <li>i. Use of national income statistics as measures of economic growth and living standards</li> <li>ii. GDP deflator</li> <li>iii. Comparison of economic growth rates and living standards over time and between countries</li> <li>iv. Other indicators of living standards and economic development</li> </ol> <p>(b) Money supply</p> <p>Broad and narrow money supply</p> <p>Government accounts: government budget, deficit financing</p> <p>(c) The circular flow of income between households, firms, government and the international economy</p> <p>(d) Main schools of thought on how the macroeconomy functions – Keynesian and monetarist</p> <p>(e) Aggregate expenditure function (AE)</p> <p>Meaning, components of AE and their determinants</p> <p>Income determination using AE-income approach and withdrawal/injection approach</p> <p>Inflationary and deflationary gaps; full employment level of income versus equilibrium level of income</p> <p>The multiplier</p> <p>Autonomous and induced investment; the accelerator</p> <p>(f) Sources of money supply in an open economy (commercial banks/credit creation, central bank, deficit financing, total currency flow)</p> <p>Relationship between money supply, price level and output as explained by the Quantity Theory of Money</p> <p>(g) The demand for money</p> <p>Interest rate determination</p> <p>Liquidity Preference theory and Loanable Funds theory</p>	<p>active balances</p> <p>at constant prices</p> <p>at current prices</p> <p>average propensity</p> <p>balanced budget</p> <p>capital:output ratio</p> <p>closed economy</p> <p>consumption</p> <p>credit multiplier</p> <p>depreciation (of capital)</p> <p>dissaving</p> <p>distribution of income</p> <p>gross domestic product</p> <p>gross national product</p> <p>idle balances</p> <p>leakage</p> <p>liquidity trap</p> <p>marginal propensity</p> <p>National Debt</p> <p>net domestic product</p> <p>net national product</p> <p>net property income from abroad</p> <p>paradox of thrift</p> <p>precautionary demand for money</p> <p>quality of life</p> <p>saving</p> <p>speculative demand for money</p> <p>yield</p>

# 5. Curriculum content: Supplement (A Level only)

## 6. Macroeconomic problems

SUPPLEMENT: Additional material for A Level	Examples of other concepts and terms included
<p><b>Macroeconomic problems</b></p> <p>(a) Economic growth and development</p> <ol style="list-style-type: none"> <li>i. Definition of economic growth and development</li> <li>ii. Indicators of comparative development and underdevelopment in the world economy – economic, monetary, non-monetary and demographic indicators</li> <li>iii. Characteristics of developing economies: population growth and structure, income distribution, economic structure, employment composition, external trade and urbanisation in developing economies, the nature of dependency, including the role of multi-national corporations and external debt</li> <li>iv. Actual versus potential growth in national output</li> <li>v. Factors contributing to economic growth</li> <li>vi. Costs and benefits of growth, including using and conserving resources</li> </ol> <p>(b) Unemployment</p> <ol style="list-style-type: none"> <li>i. Full employment and natural rate of unemployment</li> <li>ii. Causes of unemployment</li> <li>iii. Consequences of unemployment</li> </ol> <p>(c) Inter-connectedness of problems</p> <p>Links between macroeconomic problems and their interrelatedness, for example</p> <ul style="list-style-type: none"> <li>• relationship between internal and external value of money</li> <li>• relationship between balance of payments and inflation</li> <li>• relationship between inflation and unemployment; trade-off between inflation and unemployment</li> </ul>	<p>birth rate</p> <p>cyclical unemployment</p> <p>death rate</p> <p>demand-deficiency unemployment</p> <p>frictional unemployment</p> <p>general unemployment</p> <p>migration</p> <p>natural increase</p> <p>optimum population</p> <p>seasonal unemployment</p> <p>structural unemployment</p> <p>sustainability</p> <p>technological unemployment</p> <p>trade cycle</p> <p>voluntary unemployment</p>

# 5. Curriculum content: Supplement (A Level only)

## 7. Macroeconomic policies

SUPPLEMENT: Additional material for A Level	Examples of other concepts and terms included
<p><b>Macroeconomic policies</b></p> <p>(a) Objectives of macroeconomic policy: stabilisation, growth</p> <p>(b) Policies towards developing economies; policies of trade and aid</p> <p>(c) Types of policy: aims and instruments of each policy; how each is used to control inflation, stimulate employment, stimulate growth and development, correct balance of payments disequilibrium; the effectiveness of each</p> <ol style="list-style-type: none"> <li>i. Fiscal policy</li> <li>ii. Monetary policy</li> <li>iii. Exchange rate policy</li> <li>iv. Supply side policy</li> </ol> <p>(d) Evaluating policy options to deal with problems arising from conflicts between policy objectives on inflation, unemployment, economic growth, balance of payments, exchange rates and the redistribution of income and wealth</p>	<p>automatic stabiliser</p> <p>canons of taxation</p> <p>marginal tax rates</p> <p>open market operations</p> <p>poverty trap</p> <p>progressive taxation</p> <p>proportional taxation</p> <p>regressive taxation</p>

# 6. Appendix: Resource list

## Text books

This is not a list of compulsory texts, but a range of alternatives which teachers may like to choose from.

Author	Title	Publisher	Date	ISBN
Anderton, AG	<i>Economics A Level (5th edition)</i>	Causeway	2008	1405892358
Bamford, Colin, <i>et al</i>	<i>Economics International AS and A Level*</i>	Cambridge	2002	052100781X
Beardshaw, J	<i>Economics: A Student's Guide</i>	Longman	2001	0273651404
Begg, David <i>et al</i>	<i>Economics (9th edition)</i>	McGraw Hill	2008	0077117875
Gillespie, A	<i>Economics AS and A Level Through Diagrams</i>	OUP Oxford	2009	019918089X
Grant, Susan	<i>Stanlake's Introductory Economics</i>	Longman	2000	0582405483
Grant, Susan	<i>Introductory Economics: A Study Guide</i>	Longman	1997	0582302560
Ison, Stephen and Wall, Stuart	<i>Economics (4th edition)</i>	FT Prentice Hall	2006	0273681079
Sloman, John	<i>Essentials of Economics</i>	FT Prentice Hall	2009	1408241560

\* This textbook is endorsed by University of Cambridge International Examinations. A new edition is due to appear during 2010.

## Dictionaries

Author	Title	Publisher	Date	ISBN
Bannock, Graham <i>et al</i> (eds)	<i>Penguin Dictionary of Economics</i>	Penguin	2004	0141010754
Rutherford, Donald	<i>Routledge Dictionary of Economics (2nd edition)</i>	Routledge	2002	0415250919
Wall, Nancy	<i>The Complete A-Z Economics Handbook (3rd edition)</i>	Philip Allan	2009	0340991011

## Internet

Teachers will also find useful material on the following websites:

[www.bized.co.uk](http://www.bized.co.uk)

[www.tutor2u.net](http://www.tutor2u.net)

Resources are also listed on CIE's public website at [www.cie.org.uk](http://www.cie.org.uk). Please visit this site on a regular basis as the Resource lists are updated through the year.

Access to teachers' email discussion groups, suggested schemes of work and regularly updated resource lists may be found on the CIE Teacher Support website at <http://teachers.cie.org.uk>. This website is available to teachers at registered CIE Centres.

# 7. Additional information

## 7.1 Guided learning hours

Advanced Level ('A Level') syllabuses are designed on the assumption that candidates have about 360 guided learning hours per subject over the duration of the course. Advanced Subsidiary Level ('AS Level') syllabuses are designed on the assumption that candidates have about 180 guided learning hours per subject over the duration of the course. ('Guided learning hours' include direct teaching and any other supervised or directed study time. They do not include private study by the candidate.)

However, these figures are for guidance only, and the number of hours required may vary according to local curricular practice and the candidates' prior experience of the subject.

## 7.2 Recommended prior learning

Candidates beginning this course are not expected to have studied Economics previously.

## 7.3 Progression

Cambridge International A Level Economics provides a suitable foundation for the study of Economics or related courses in higher education. Equally it is suitable as part of a course of general education.

Cambridge International AS Level Economics constitutes the first half of the Cambridge International A Level course in Economics and therefore provides a suitable foundation for the study of Economics at A Level and thence for related courses in higher education. Depending on local university entrance requirements, it may permit or assist progression directly to university courses in Economics or some other subjects. It is also suitable as part of a course of general education.

## 7.4 Component codes

Because of local variations, in some cases component codes will be different in instructions about making entries for examinations and timetables from those printed in this syllabus, but the component names will be unchanged to make identification straightforward.

# 7. Additional information

## 7.5 Grading and reporting

A Level results are shown by one of the grades A\*, A, B, C, D or E indicating the standard achieved, Grade A\* being the highest and Grade E the lowest. 'Ungraded' indicates that the candidate has failed to reach the standard required for a pass at either A Level or AS Level. 'Ungraded' will be reported on the statement of results but not on the certificate.

If a candidate takes an A Level and fails to achieve grade E or higher, an AS Level grade will be awarded if both of the following apply:

- the components taken for the A Level by the candidate in that session included all the components making up an AS Level
- the candidate's performance on these components was sufficient to merit the award of an AS Level grade.

For languages other than English, CIE also reports separate speaking endorsement grades (Distinction, Merit and Pass), for candidates who satisfy the conditions stated in the syllabus.

Percentage uniform marks are also provided on each candidate's Statement of Results to supplement their grade for a syllabus. They are determined in this way:

- A candidate who obtains...
  - ... the minimum mark necessary for a Grade A\* obtains a percentage uniform mark of 90%.
  - ... the minimum mark necessary for a Grade A obtains a percentage uniform mark of 80%.
  - ... the minimum mark necessary for a Grade B obtains a percentage uniform mark of 70%.
  - ... the minimum mark necessary for a Grade C obtains a percentage uniform mark of 60%.
  - ... the minimum mark necessary for a Grade D obtains a percentage uniform mark of 50%.
  - ... the minimum mark necessary for a Grade E obtains a percentage uniform mark of 40%.
  - ... no marks receives a percentage uniform mark of 0%.

Candidates whose mark is none of the above receive a percentage mark in between those stated according to the position of their mark in relation to the grade 'thresholds' (i.e. the minimum mark for obtaining a grade). For example, a candidate whose mark is halfway between the minimum for a Grade C and the minimum for a Grade D (and whose grade is therefore D) receives a percentage uniform mark of 55%.

The uniform percentage mark is stated at syllabus level only. It is not the same as the 'raw' mark obtained by the candidate, since it depends on the position of the grade thresholds (which may vary from one session to another and from one subject to another) and it has been turned into a percentage.

# 7. Additional information

AS Level results are shown by one of the grades a, b, c, d or e indicating the standard achieved, Grade a being the highest and Grade e the lowest. 'Ungraded' indicates that the candidate has failed to reach the standard required for a pass at AS Level. 'Ungraded' will be reported on the statement of results but not on the certificate.

For languages other than English, CIE will also report separate speaking endorsement grades (Distinction, Merit and Pass) for candidates who satisfy the conditions stated in the syllabus.

The content and difficulty of an AS Level examination is equivalent to the first half of a corresponding A Level.

Percentage uniform marks are also provided on each candidate's Statement of Results to supplement their grade for a syllabus. They are determined in this way:

- A candidate who obtains...
  - ... the minimum mark necessary for a Grade a obtains a percentage uniform mark of 80%.
  - ... the minimum mark necessary for a Grade b obtains a percentage uniform mark of 70%.
  - ... the minimum mark necessary for a Grade c obtains a percentage uniform mark of 60%.
  - ... the minimum mark necessary for a Grade d obtains a percentage uniform mark of 50%.
  - ... the minimum mark necessary for a Grade e obtains a percentage uniform mark of 40%.
  - ... no marks receives a percentage uniform mark of 0%.

Candidates whose mark is none of the above receive a percentage mark in between those stated according to the position of their mark in relation to the grade 'thresholds' (i.e. the minimum mark for obtaining a grade). For example, a candidate whose mark is halfway between the minimum for a Grade c and the minimum for a Grade d (and whose grade is therefore d) receives a percentage uniform mark of 55%.

The uniform percentage mark is stated at syllabus level only. It is not the same as the 'raw' mark obtained by the candidate, since it depends on the position of the grade thresholds (which may vary from one session to another and from one subject to another) and it has been turned into a percentage.

# 7. Additional information

## 7.6 Resources

Copies of syllabuses, the most recent question papers and Principal Examiners' reports are available on the Syllabus and Support Materials CD-ROM, which is sent to all CIE Centres.

Resources are also listed on CIE's public website at **[www.cie.org.uk](http://www.cie.org.uk)**. Please visit this site on a regular basis as the Resource lists are updated through the year.

Access to teachers' email discussion groups, suggested schemes of work and regularly updated resource lists may be found on the CIE Teacher Support website at **<http://teachers.cie.org.uk>**. This website is available to teachers at registered CIE Centres.

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