



## **REVISION CHECKLIST for AS Level Economics 9708**

### **A guide for students**

#### **How to use this guide**

The guide describes what you need to know about your AS Economics examination.

It will help you to plan your revision programme and will explain what the examiners are looking for.

The guide contains the following sections:

#### **Section 1 - How will you be tested?**

This section will give you information about the different examination papers you will take.

#### **Section 2 - What will be tested?**

This section describes the five assessment objectives in Economics.

#### **Section 3 - What you need to know**

This shows the syllabus content so that you can check:

- which topics you need to know about
- details about each topic area in the syllabus
- how much of the syllabus you have covered

### Section 1 - How will you be tested?

The table below gives you information about the examination papers you will take.

Paper	Type	Duration	Number of Questions	Maximum Mark	Weight (% of total marks for syllabus)
1	Multiple Choice (Core)	1 hour	30	30	40
2	(a) Data Response (Core)	45 minutes (recommended)	1	20	30
2	(b) Structured Essay (Core)	45 minutes (recommended)	1 from a choice of 3	20	30

## Section 2 - What will be tested?

The syllabus sets out the five assessment objectives in Economics.

Number of Assessment Objective	Skill	Demonstration of Skill
1	Knowledge and Understanding	You should be able to demonstrate knowledge and understanding of the specified content.
2	Interpretation	You should be able to interpret economic information presented in: <ul style="list-style-type: none"><li>• verbal</li><li>• numerical or</li><li>• graphical forms.</li></ul>
3	Explanation and Analysis	You should be able to explain and analyse economic issues and arguments, using relevant economic: <ul style="list-style-type: none"><li>• concepts</li><li>• theories and</li><li>• information.</li></ul>
4	Evaluation	You should be able to evaluate economic: <ul style="list-style-type: none"><li>• information</li><li>• arguments</li><li>• proposals and</li><li>• policies.</li></ul> You should be able to take into consideration relevant information and theory. You should be able to distinguish facts from: <ul style="list-style-type: none"><li>• hypothetical statements and</li><li>• value judgements.</li></ul>
5	Organisation, Presentation and Communication	You should be able to organise, present and communicate economic ideas and informed judgements in a: <ul style="list-style-type: none"><li>• clear</li><li>• logical and</li><li>• appropriate form.</li></ul>

The Multiple Choice component (Paper 1) will seek to test particularly Assessment Objectives 1, 2 and 3.

The Data Response part of Paper 2 will seek to test particularly Assessment Objectives 2 and 3 and, to a lesser extent, Assessment objectives 1, 4 and 5.

The Structured Essay part of Paper 2 will seek to test particularly Assessment Objectives 1, 3, 4 and 5 and, to a lesser extent, Assessment Objective 2.

### **Section 3 - What you need to know**

A table is provided below which describes the topics which will be tested in your examination papers. You can use the table throughout the course to check the topics you have covered. You can also use it as a revision aid.

The column headed 'comments' can be used:

- to add further information about the details of each bullet point, or to give appropriate examples
- to highlight areas of difficulty which you might need to ask your teacher about.

Theme	Topic	You should be able to:	Comments
<b>1 Basic Economic Ideas</b>	Scarcity, choice and resource allocation	<ul style="list-style-type: none"> <li>• Define the meaning of scarcity</li> <li>• Explain the inevitability of choices at all levels: <ul style="list-style-type: none"> <li>○ individual</li> <li>○ firm</li> <li>○ government</li> </ul> </li> <li>• Define and explain the concept of opportunity cost</li> <li>• Consider basic questions of: <ul style="list-style-type: none"> <li>○ what will be produced</li> <li>○ how it will be produced</li> <li>○ for whom it will be produced</li> </ul> </li> </ul>	
	Different allocative mechanisms	Distinguish between: <ul style="list-style-type: none"> <li>• market economies</li> <li>• planned economies</li> <li>• mixed economies</li> </ul>	
	Production possibility curve	Explain: <ul style="list-style-type: none"> <li>• the shape of the production possibility curve</li> <li>• shifts of the production possibility curve</li> </ul>	
	The margin	Explain decision making at the margin	
	Positive and normative statements	Distinguish between: <ul style="list-style-type: none"> <li>• positive and</li> <li>• normative statements</li> </ul>	
	Ceteris paribus	Explain the meaning of ceteris paribus	
	Factors of production	Define the four factors of production: <ul style="list-style-type: none"> <li>• Land</li> <li>• Labour</li> <li>• Capital</li> <li>• Enterprise</li> </ul>	
	Division of Labour	Explain the meaning of division of labour	
	Money	Describe and explain: <ul style="list-style-type: none"> <li>• the functions of money</li> <li>• the characteristics of money</li> </ul>	
<b>2 The Price</b>	Individual Demand curves	Explain the construction of individual demand curves	

System			
	Aggregation of individual demand curves to give market demand	Explain how individual demand curves are aggregated to give market demand	
	Factors influencing demand	Identify and explain the various factors that can influence market demand	
	Movements along and shifts of a demand curve	Explain and distinguish between: <ul style="list-style-type: none"> <li>• movements along a demand curve</li> <li>• shifts of a demand curve</li> </ul>	
	Price, income and cross elasticities of demand	<ul style="list-style-type: none"> <li>• Explain the meaning of</li> <li>• Calculate</li> <li>• Analyse the factors affecting</li> <li>• Assess the implications for revenue and business decisions of               <ul style="list-style-type: none"> <li>○ price elasticity of demand</li> <li>○ income elasticity of demand</li> <li>○ cross elasticity of demand</li> </ul> </li> </ul>	
	Firms' supply curves	Explain how individual firms' supply curves are aggregated to give market supply	
	Factors influencing market supply  Movements along and shifts of a supply curve	Identify and explain the various factors that can influence market supply, including: <ul style="list-style-type: none"> <li>• indirect taxes and</li> <li>• subsidies</li> </ul> Explain and distinguish between: <ul style="list-style-type: none"> <li>• movements along a supply curve</li> <li>• shifts of a supply curve</li> </ul>	

	Price elasticity of supply	<p>Explain:</p> <ul style="list-style-type: none"> <li>the determinants of the price elasticity of supply</li> <li>the implications of price elasticity of supply for speed/ease with which businesses react to changed market conditions</li> </ul>	
	<p>Interaction of demand and supply</p> <p>Equilibrium price and quantity</p>	<p>Explain:</p> <ul style="list-style-type: none"> <li>the meaning of equilibrium and disequilibrium</li> <li>the effects of changes in supply and demand on equilibrium price and quantity</li> <li>the applications of demand and supply analysis</li> </ul>	
	Consumer surplus	Explain the meaning of consumer surplus	
	Prices as rationing and allocative mechanisms	<p>Analyse how prices can be used as:</p> <ul style="list-style-type: none"> <li>rationing and</li> <li>allocative mechanisms</li> </ul>	
<b>3 Government Intervention in the Price System</b>	Externalities	<p>Explain and distinguish between:</p> <ul style="list-style-type: none"> <li>positive and</li> <li>negative externalities</li> </ul>	
	Social costs and social benefits	<p>Explain social costs as the sum of:</p> <ul style="list-style-type: none"> <li>private costs and</li> <li>external costs</li> </ul> <p>Explain social benefits as the sum of:</p> <ul style="list-style-type: none"> <li>private benefits and</li> <li>external benefits</li> </ul>	
	Decision-making using cost-benefit analysis	Explain decision-making using cost-benefit analysis	
	<p>Private goods and public goods</p> <p>Merit goods and demerit goods</p>	<p>Explain and distinguish between:</p> <ul style="list-style-type: none"> <li>private goods and</li> <li>public goods</li> </ul> <p>Explain and distinguish between:</p> <ul style="list-style-type: none"> <li>merit goods and</li> <li>demerit goods</li> </ul>	
	Government intervention	<p>Explain government intervention through:</p> <ul style="list-style-type: none"> <li>maximum price controls</li> <li>price stabilisation</li> </ul>	

		<ul style="list-style-type: none"> <li>• taxes</li> <li>• subsidies</li> <li>• direct provision of goods and services</li> </ul>	
<b>4 International Trade</b>	Principles of absolute and comparative advantage Other explanations and determinants of trade flows	<p>Explain the principles of:</p> <ul style="list-style-type: none"> <li>• absolute advantage</li> <li>• comparative advantage and</li> <li>• their real-world limitations</li> </ul> <p>Explain the opportunity cost concept allied to trade</p> <p>Account for other explanations and determinants of trade flows</p>	
	Arguments for free trade and motives for protection	<p>Explain:</p> <ul style="list-style-type: none"> <li>• arguments for free trade and</li> <li>• motives for protection</li> </ul>	
	Types of protection and their effects	<p>Explain:</p> <ul style="list-style-type: none"> <li>• types of protection and</li> <li>• their effects</li> </ul>	
	Economic integration	<p>Explain the features of, and the differences between, a:</p> <ul style="list-style-type: none"> <li>• free trade area</li> <li>• customs union</li> <li>• economic union</li> </ul>	
	Terms of Trade	Explain the meaning of the terms of trade	
	Balance of Payments	Explain the components of the balance of payments	
<b>5 Measurement in the Macro-economy</b>	Different forms of measurement in the macro-economy	<p>Explain different types of measurement:</p> <ul style="list-style-type: none"> <li>• Employment statistics</li> <li>• Size and components of labour force</li> <li>• Labour productivity</li> <li>• Definition of unemployment</li> <li>• Unemployment rate; patterns and trends in employment and unemployment</li> <li>• Difficulties involved in measuring unemployment</li> </ul>	
	General price level Price indices	<p>Explain:</p> <ul style="list-style-type: none"> <li>• the general price level</li> <li>• price indices, such as the consumer price index and the retail price index</li> </ul>	

<b>6 Macro-economic Problems</b>	Inflation	Define inflation Explain the: <ul style="list-style-type: none"> <li>• degrees of inflation</li> <li>• causes of inflation</li> <li>• consequences of inflation</li> </ul>	
	Balance of Payments Problems	Explain the: <ul 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 the domestic and external economy</li> </ul>	
	Fluctuations in Foreign Exchange Rates	Define exchange rates and explain: <ul style="list-style-type: none"> <li>• the measurement of exchange rates – nominal, real, trade-weighted exchange rates</li> <li>• the determination of exchange rates – fixed, floating, managed float</li> <li>• the factors underlying fluctuations in exchange rates</li> <li>• the effects of changing exchange rates on the economy</li> </ul>	
<b>7 Macro-economic Policies</b>	Macro-economic policies	Analyse policies designed to: <ul style="list-style-type: none"> <li>• correct balance of payments disequilibrium or</li> <li>• influence the exchange rate</li> </ul>	