

Pearson Edexcel International GCSE

May–June 2022 Assessment Window

Syllabus
reference

4EC1

Economics Advance Information

You are not permitted to take this notice into the examination.
This document is valid if downloaded from the [Pearson Qualifications website](#).

Instructions

- Please ensure that you have read this notice before the examination.

Information

- This notice covers all examined components.
- The format/structure of the assessments remains unchanged.
- The advance information details the focus of the content of the exams in the May–June 2022 assessments.
- There are no restrictions on who can use this notice.
- This notice is meant to help students to focus their revision time.
- Students and teachers can discuss the advance information.
- This document has 9 pages.

There are two option codes for this qualification. Some centres will enter for option “R”, depending on their location – if you’re unsure if your centre uses option “R” papers you should contact your centre who can confirm and check the [Information Manual](#). Please ensure you consult the advance information relevant to the option code used within your centre. Information related to the “R” option is indicated by an “R” after the paper number, e.g. 4EC1/02R or Paper 2R.

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General advice

- In addition to covering the content outlined in the advance information, students and teachers should consider how to:
 - manage their revision of parts of the specification which may be assessed in areas not covered by the advance information
 - manage their revision of other parts of the specification which may provide knowledge which helps with understanding the areas being tested in 2022.
- For specifications with synoptic assessments, topics not explicitly given in the advance information may appear, e.g. where students are asked to bring together knowledge, skills and understanding from across the specification.

A link to the Joint Council for Qualifications guidance document on advance information can be found on the Joint Council for Qualifications website or [here](#).

Advance Information

Subject specific section

- For our Pearson Edexcel International GCSE Economics, for both the Component 01 and the Component 02 examination papers, questions within these papers will sample content only from the areas specified in this notice.
- Teachers may choose to focus their teaching and revision on the content set out in this document, but should aim where possible to do so only once the full content of the course has been delivered.
- The specification content is presented in numerical order as set out in the specification, and not reflecting the question order of the examination papers. Some questions may be answerable using more than one area of specified content. Any content listed may appear in the examination papers in any question style, from MCQs (multiple choice questions) through to higher tariff extended response questions.
- Some questions may be answerable using more than one area of specified content.

Paper 4EC1/01: Microeconomics and Business Economics

Subject content	What students need to learn:
1.1.1 The economic problem	(d) Production possibility curve diagram
1.1.2 Economic assumptions	(b) Reasons why consumers may not maximise their benefit
1.1.3 Demand, supply and market equilibrium	Demand (b) The use of demand curve diagram (c) Factors that may cause a shift in the demand curve Supply (e) The use of supply curve diagram Market equilibrium (i) Define, calculate and draw excess demand and excess supply
1.1.4 Elasticity	Price elasticity of demand (PED) (e) Interpret numerical values of PED Price elasticity of supply (PES) (j) Calculate the PES using given percentage changes in quantity supplied and percentage changes in price Income elasticity of demand (r) Interpret numerical values of income elasticity of demand
1.1.5 The mixed economy	(g) Definition of public goods – non-excludability, non-rivalry and how this causes the free rider problem (j) Definition of privatisation
1.1.6 Externalities	External costs of production (a) Definition of external costs (b) Examples of external costs, including pollution, congestion and environmental damage (e) Definition and formula for social costs and social benefits
1.2.1 Production	(a) The factors of production (b) Sectors of the economy
1.2.2 Productivity and division of labour	(d) Advantages and disadvantages of the division of labour to workers and businesses
1.2.3 Business costs, revenues and profit	(a) Definition and use of formulae (b) Economies of scale



Subject content	What students need to learn:
1.2.4 Business competition	Competition (a) Advantages and disadvantages of competition to firms, consumers and the economy (d) Reasons firms stay small Monopoly (e) Definition of monopoly (f) Main features of monopoly (g) Advantages and disadvantages of monopoly
1.2.5 The labour market	(b) Factors affecting the supply of labour (e) The use of labour market diagrams
1.2.6 Government intervention	(a) Government policy to deal with externalities (b) Advantages and disadvantages of each government policy (c) Government regulation of competition

Quantitative skills

Calculations

- Calculation of percentages and percentage changes
- Calculation of totals

Construction of graphs

- Construction of graphs from data

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

Paper 4EC1/01R: Microeconomics and Business Economics

Subject content	What students need to learn:
1.1.1 The economic problem	(a) The problem of scarcity (d) Production possibility curve diagram
1.1.2 Economic assumptions	(a) Underlying assumptions (c) Reasons why producers may not maximise their profit
1.1.3 Demand, supply and market equilibrium	Demand (b) The use of demand curve diagram (c) Factors that may cause a shift in the demand curve Supply (e) The use of supply curve diagram (f) Factors that may cause a shift in the supply curve Market equilibrium (i) Define, calculate and draw excess demand and excess supply
1.1.4 Elasticity	Price elasticity of demand (PED) (c) Calculate the PED using given percentage changes in quantity demanded and percentage changes in price Price elasticity of supply (PES) (i) Formula of PES Income elasticity of demand (r) Interpret numerical values of income elasticity of demand
1.1.5 The mixed economy	(a) Definition of mixed economy (b) Definition of public and private sector (c) Difference between public and private sectors in terms of ownership, control and aims (h) The role of the public sector and private sector in the production of goods and services (i) The relative importance of public sector and private sector in different economies
1.1.6 Externalities	External benefits of consumption (c) Definition of external benefits (d) Examples of external benefits, including education, healthcare and vaccinations



Subject content	What students need to learn:
1.2.1 Production	(a) The factors of production (b) Sectors of the economy (c) Changes in the importance of these sectors in terms of employment and output over time in developing and developed economies
1.2.2 Productivity and division of labour	(b) Factors affecting productivity (c) Definition of division of labour
1.2.3 Business costs, revenues and profit	(a) Definitions and use of formulae (b) Economies of scale (c) Diseconomies of scale
1.2.4 Business competition	Competition (d) Reasons firms stay small Oligopoly (h) Definition of oligopoly (i) Main features of oligopoly (j) Advantages and disadvantages of oligopoly
1.2.5 The labour market	(a) Factors affecting the demand for labour (b) Factors affecting the supply of labour
1.2.6 Government intervention	(a) Government policy to deal with externalities (d) Government intervention in the labour market

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Paper 4EC1/02: Macroeconomics and the Global Economy

Subject content	What students need to learn:
2.1.1 Macroeconomic objectives	(a) Economic growth (b) Low and stable inflation (c) Low unemployment (d) Surplus or balance on the current account of the balance of payments (e) Protection of the environment (f) Redistribution of income
2.1.2 Government policies	(a) Fiscal policy – government revenue and government expenditure (b) Monetary policy – focused on interest rate changes (c) Supply-side policy
2.1.3 Relationships between objectives and policies	(a) The impact of policies and the trade-off between macroeconomic objectives
2.2.1 Globalisation	(a) Definition of globalisation (d) Definition of multinational corporations (MNCs)
2.2.2 International trade	(a) Advantages and disadvantages of free trade (c) Methods of protection (d) Modern trading blocs
2.2.3 Exchange rates	(b) Factors affecting supply and demand of currencies

Quantitative skills

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Paper 4EC1/02R: Macroeconomics and the Global Economy

Subject content	What students need to learn:
2.1.1 Macroeconomic objectives	(a) Economic growth (b) Low and stable inflation (c) Low unemployment (d) Surplus or balance on the current account of the balance of payments (e) Protection of the environment (f) Redistribution of income
2.1.2 Government policies	(a) Fiscal policy – government revenue and government expenditure (b) Monetary policy – focused on interest rate changes (c) Supply-side policy
2.1.3 Relationships between objectives and policies	(a) The impact of policies and the trade-off between macroeconomic objectives
2.2.2 International trade	(a) Advantages and disadvantages of free trade (b) Reasons for protection (c) Methods of protection
2.2.3 Exchange rates	(b) Factors affecting supply and demand of currencies (d) Definition of depreciation

Quantitative skills

Calculations

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END OF ADVANCE INFORMATION