

For exams January, May and November onwards
For teaching from September 2021 onwards

SPECIFICATION 



Learning
Resource Network



LRN INTERNATIONAL GCSE ECONOMICS (7153)



THE QUEEN'S AWARDS
FOR ENTERPRISE:
INTERNATIONAL TRADE
2020

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BACKGROUND TO LRN

Learning Resource Network (LRN) is a recognised Awarding Organisation that offers a range of qualifications to candidates, educational institutes, training providers, schools and employers.

LRN is recognised for its high quality qualifications that enable candidates to progress to other areas of study and employment in their designated fields.

In producing its qualifications, LRN uses the experience and expertise of academics, professionals working in the pertinent industries and assessment practitioners with a wealth of best practice and knowledge of validation, verification, delivery and assessment.

ACCOLADES

Queen's Award

In April 2020, LRN received the Queen's Award for Enterprise for International Trade. LRN is one of 220 organisations in the UK to be recognised with this prestigious accolade. This was in recognition of the expansion LRN brought to the overseas qualification market.

MANAGEMENT SYSTEMS

LRN has been awarded international accreditation as part of its quality controls, policies, systems and overall approach to its management systems. These awards are externally validated by the British Assessment Bureau. LRN has achieved accreditation in the form of ISO 9001: Quality Management Systems, ISO 14001: Environment Management Systems and ISO 27001: Information Security Management Systems.

CUSTOMER SERVICE EXCELLENCE

LRN has achieved the prestigious award of Customer Service Excellence. This is in recognition of its customer service practices, approach to managing and dealing with UK and Overseas customer needs, including the diverse needs of its centres.

LRN was the first UK Awarding Organisation to achieve Customer Service Excellence. Following reaccreditation in 2019, LRN received an award for Customer Service Excellence: Compliance Plus, demonstrating that LRN went above and beyond the delivery of its customer service principles.



INTRODUCTION

This specification provides an overview to the LRN International GCSE Economics¹. This document is suitable for various users, including candidates, centres, administrators, employers, parents/guardians, teachers (and other related staff) and examiners. The specification outlines the key features and administrative procedures required for this international qualification.

OBJECTIVE

The LRN International GCSE Economics is designed to enable international candidates to demonstrate their ability in terms of a background to Introduction to Economics, Introduction to resource allocation, Macroeconomic government interventions, Economic development and Introduction to Globalisation.

MODE OF DELIVERY

This qualification has been constructed to be delivered within centres. Centres will need to demonstrate to LRN, through the centre recognition processes, that they have the resources, facilities and competence to deliver. However, centres must be able to demonstrate, in line with LRN's criteria, that they have the means, capability, capacity and resources (including suitably qualified centre staff) to deliver by the method chosen by the centre.

PROGRESSION

The LRN International GCSE Economics has been designed to reflect the wide variation in candidates' origins, levels of education and career aims. Progression opportunities may, therefore, take a variety of paths. Depending on the level of qualification achieved, it may be appropriate for the candidate to progress to:

1. Similar level 2 qualification in Economics;
2. LRN Level 2 Certificate or Diploma in Pre-A Foundation Studies;
3. LRN Level 3 Diploma in Pre-U Foundation Studies;
4. A higher level of any qualification – e.g. A-Level, Diploma
5. Vocationally Related Qualifications

¹ LRN International GCSEs are globally recognised qualifications designed specifically for international candidates and are available outside the United Kingdom. Candidates based in England refer to the Ofqual register.

QUALIFICATION OVERVIEW

Number	Subject Content	AO	Exam
1	Introduction to Economics	1, 2 and 3	Combination of written exam papers (externally set and marked) Paper 1: Multiple choice Duration: 1 hour 30 minutes Weighting: 40% Paper 2: Structured Questions Duration: 2 hours Weighting: 60%
2	Introduction to resource allocation	2 and 3	
3	Macroeconomic government interventions	1 and 2	
4	Economic development	2 and 3	

BREAKDOWN OF ASSESSMENT OBJECTIVES

AO 1 – demonstrate an understanding of economics concepts and issues

AO 2 – apply knowledge and understanding of economics concepts and issues to a variety of concepts

AO 3 – analyse economics information and issues to demonstrate an understanding of economic activity, make judgements and draw conclusions

ASSESSMENT

The assessment for this qualification consists of written exam papers, set and marked by the LRN.

Assessment objectives (AOs)	Weighting	
	Paper 1	Paper 2
AO1	50%	10%
AO2	50%	40%
AO3	0%	50%

GUIDED LEARNING HOURS

The guided learning hours (GLH) for this qualification are 130. Please note the hours stated are indicative.

ENTRIES CODES

One entry per qualification is sufficient and will cover all the question papers including certification.

PRIVATE CANDIDATES

Centres are advised that private candidates are only to be enrolled with prior agreement and confirmation from LRN.

GRADING

Results are reported, as 9 to 1.

RESULTS

Exam series are in:

- January (results released in March)
- June (results released in August)
- November (results released in January)

RE-TAKES

Whereas candidates can re-take the whole qualification as often as they wish, individual components cannot be re-taken as it is a traditional linear specification.

Please remember, one entry per qualification is sufficient and will cover all the question papers including certification.

CUSTOMER SERVICE STATEMENT

Learning Resource Network (LRN) is committed to ensuring all customers are dealt with promptly and in a professional and helpful manner. In order to guarantee this, we commit to ensuring the following in our day to day interactions with candidates, assessment centres and our stakeholder network:

- All customers will be treated equally and with respect;
- All customer information will only be used in a way which has been agreed in advance, unless we are informed of something that places them or others at risk of harm;
- All customers will be treated by staff in a professional manner.

LRN has arrangements in place to provide a telephone and e-mail helpdesk which will be staffed from 09:00 to 17:00 from Monday to Friday. Furthermore, it will respond to each e-mail, letter or telephone message it receives regarding feedback on its qualifications, centre approvals process or other matters relating to its products and/or services. The timetable for responding is as follows:

- E-mail: 5 working days
- Letter: 5 working days
- Telephone message: 5 working days

DIVERSITY AND EQUALITY

Learning Resource Network (LRN) is committed to ensuring fair and equal access to its qualifications, examinations and support materials. Our Diversity and Equality policy seeks to eliminate unjustifiable discrimination, harassment and/or victimisation and to advance equality of opportunity, thereby ensuring all candidates are treated fairly, in accordance with the protected characteristics of the Equality Act 2010. Specifically, we comply fully with the requirements laid out in the Equality Act 2010. In addition, and within the constraints of this policy, LRN will have due regard for the General data Protection Regulations (GDPR) in the retention of information which is unnecessary.

1	Introduction to Economics		
Aim			
This subject content aims to give learners an overview of basic economic concepts and objectives, such as the basic economic problem, factors of production, Production Possibility Curve and opportunity cost. Learners will explore learning of major relevant and appropriate economic events occurring throughout the world, all the while understanding the theories mapping them.			
Learning Outcomes - The learner will:		Assessment Criteria - The learner can:	
1	Understand the structure of basic economic problem.	1.1	Explain the economic problem with respect to the following: (i) Government, (ii) producers, (iii) workers, (iv) consumers.
		1.2	Differentiate between free and economic goods.
		1.3	Differentiate between unlimited wants and scarce resources.
		1.4	Summarise the basic purpose of economic activity.
		1.5	Discuss the key economic decisions.
		1.6	Explain the strength and limitations of opportunity costs with examples, in relevant scenarios.
		1.7	Outline the role of opportunity costs in economic decision making.
		1.8	Summarise the key economic decisions made by economic agents.
		1.9	Explain the purpose of Production Possibility Curve in economics.
		1.10	Interpret and draw relevant Production Possibility Curve diagrams.
		1.11	Summarise the role of Production Points.
		1.12	Judge the major factors influencing shifts in Production Possibility Curve.

		1.13	Explain the purpose of cost benefit analysis.
2	Understand the goal of factors of production.	2.1	Compare features of major factors of productions such as: (i) Land, (ii) labour, (iii) capital (iv) enterprise.
		2.2	Discuss the nature of main economic resources.
		2.3	Judge the main factors influencing factor mobility.

2	Introduction to resource allocation		
Aim			
This subject content introduces learners to the significance of allocating resources to multiple uses in economics. The subject content aims to highlight major factors influencing said allocation, such as the role of markets and the requirement for price mechanism. Learners will explore the importance of efficient management of resources and its impact on economic growth.			
Learning Outcomes - The learner will:		Assessment Criteria - The learner can:	
1	Understand the purpose of resource allocation.	1.1	Compare major differentiating factors between macroeconomics and microeconomics.
		1.2	Explain key types of market systems and the economic agents existing within its networks such as: (i) buyers, (ii) sellers, (iii) resource allocation
		1.3	Differentiate between market equilibrium and disequilibrium.
		1.4	Judge the basic consequences of flawed resource allocation on behalf of a market system.
		1.5	Discuss the requirement of main decision making factors created by intervention of the economic problem in resource allocation.
		1.6	Explain the role of price mechanism in the decision making process of resource allocation.
		1.7	Outline the purpose of price mechanism in economics.
		1.8	Explain the basic features of a market economic system.
		1.9	Compare the roles of private and public economic sectors.
		1.10	Outline the strengths and limitations of a market economic system.

		1.11	Explain the key terminology associated with market failure such as: (i) social, (ii) external and (iii) private costs, (iv) external, (v) social and (vi) private benefits.
		1.12	Outline the significant causes and consequences of market failure.
2	Be able to understand the demand and supply based approaches to resource allocation.	2.1	Differentiate between demand and supply with respect to resource allocation.
		2.2	Interpret and draw appropriate diagrams representing demand and supply.
		2.3	Illustrate the demand and supply curves, and the factors influencing changes in them.
		2.4	Explain the interlinks between individual and market supply and demand.
		2.5	Interpret major movement along the demand and supply curves with appropriate terminology.
		2.6	Discuss the purpose of price elasticity of demand and supply.
		2.7	Compare factors affecting price elasticity of demand and supply.
		2.8	Calculate price elasticity of demand and supply using appropriate formulas.
		2.9	Interpret the measurements of price elasticity of demand and supply.
		2.10	Illustrate demand supply schedule with respect to market equilibrium price and sales.
		2.11	Interpret the role of demand and supply curves in production of features of market disequilibrium such as: (i) surplus, (ii) shortage

		2.12	Explain the significance of competition between various market systems.
		2.13	Compare the advantages and disadvantages of monopoly markets.
		2.14	Explain main causes and consequences of price change.
		2.15	Discuss the role of demand and supply diagrams in illustrations of factors associated with price changes.
		2.16	Explain the role of demand and supply curves in demonstration of price elasticity of demand and supply.
		2.17	Compare major differentiating factors between elasticity and inelasticity of demand and supply.
		2.18	Judge the role of major economic agents in efficient decision making.
		2.19	Explain the characteristics of oligopoly in economics.
3	Understand the purpose of mixed economic system.	3.1	Explain the mixed economic system.
		3.2	Compare the major government microeconomic policy measures such as: (i) maximum and (ii) minimum prices in economic markets, (iii) subsidies and (iv) indirect taxation, (v) nationalisation, (vi) privatisation, (vii) direct provision of goods, (viii) regulation and (ix) public goods.
		3.3	Illustrate and interpret diagrams associated with the major government microeconomic policy measures such as: (i) Maximum and (ii) minimum prices in economic markets, (iii) subsidies and (iv) indirect taxation.
		3.4	Judge the impact of government interventions on enhancing economic growth.
4	Understand the nature of micro-economic agents.	4.1	Explain major characteristics and functions of money.
		4.2	Compare the strengths and limitations of commercial and central banks for major

		economic agents.
	4.3	Judge the role of financial sector in the enhancement of economy of UK.
	4.4	Discuss the intermingling of major institutions into financial sectors.
	4.5	Explain the main factors influencing household expenditures, savings and borrowing.
	4.6	Interpret the process leading up to wage determination.
	4.7	Compare key factors affecting a worker`s choice of employment.
	4.8	Discuss the external causes and consequences of wage gaps.
	4.9	Explain the causes and consequences of division of labour between major economic agents.
	4.10	Illustrate the purpose and significance of trade unions in economy.
	4.11	Explain the strengths and limitations of trade union activity with respect to main economic agents.
	4.12	Classify firms according to size and structure.
	4.13	Explain the causes and consequences of existence of small firms in economy.
	4.14	Compare factors of external and internal growth.
	4.15	Explain major objectives of firms.
	4.16	Explain advantages and disadvantages of key types of mergers.
	4.17	Interpret the effect of economies and diseconomies of scale on main economic agents.
	4.18	Compare features of labour and capital intensive productions.

		4.19	Differentiate between productivity and production.
		4.20	Explain key costs of production such as: (i) Average total, (ii) total, (iii) variable and (iv) average variable costs.
		4.21	Calculate key costs of production such as: (i) Average total, (ii) total, (iii) variable and (iv) average variable costs.
		4.22	Compare features of average and total revenue.
		4.23	Calculate average and total revenue.
		4.24	Explain the basic features of the labour market in economics.
		4.25	Explain the key wage determinants in the labour market equilibrium.

3		Macroeconomic government interventions	
Aim			
This subject content focuses on the key macroeconomics initiatives taken by the government, along with their purpose and consequences. The subject content aims to highlight the characteristics of policy measurements adapted by the government such as budgeting and taxation. Learners will explore the implementation of such policies and the problems arising with them			
Learning Outcomes - The learner will:		Assessment Criteria - The learner can:	
1	Be able to demonstrate an understanding of the role of government in macroeconomy.	1.1	Explain the major purposes of government intervention in macroeconomic policies.
		1.2	Judge the possible conflicts arising from the macroeconomic objectives set by government.
		1.3	Explain the purpose of budgeting.
		1.4	Judge the motives behind government spending.
		1.5	Summarise the areas requiring government spending.
		1.6	Explain the basic purpose and principles of taxation.
		1.7	Classify taxes into main categories such as: (i) Proportional, (ii) regressive, (iii) progressive, (iv) direct and indirect.
		1.8	Judge the advantages and disadvantages of taxation for main economic agents.
		1.9	Summarise the purpose of main tools of fiscal policy.
		1.10	Compare the tools and consequences of the following: (i) money supply, (ii) supply side policy and (iii) monetary supply.

2	Understand the nature of economic growth.	2.1	Explain the significance of economic growth.
		2.2	Explain the purpose of Real Gross Domestic Product (GDP).
		2.3	Summarise the causes and consequences of recession and economic growth.
		2.4	Compare policies to promote techniques of economic growth.
		2.5	Differentiate between employment, unemployment and full employment.
		2.6	Summarise main techniques used to measure unemployment such as: (i) labour force and (ii) claimant count survey, (iii) formula for unemployment rate.
		2.7	Compare key policies to reduce unemployment.
		2.8	Differentiate between inflation and deflation.
		2.9	Compare causes and consequences of inflation and deflation.
		2.10	Explain the role of Consumer Prices Index.
		2.11	Summarise main policies to control inflation and deflation.

4		Economic development	
Aim			
This subject content will introduce learners to the significance of economic development and the factors contributing to it. The subject content aims to explain the objectives behind economic development. Learners will explore the differences between varying definitions of economic development in different countries.			
Learning Outcomes - The learner will:		Assessment Criteria - The learner can:	
1	Understand the role of assessing living standards in economic development.	1.1	Compare the main indicators of living standards.
		1.2	Explain composites of real GDP per head and Human Development Index.
		1.3	Judge the influence of income distribution on setting living standards.
		1.4	Compare absolute and relative poverty.
		1.5	Compare causes and consequences of absolute and relative poverty.
2	Understand the effect of population on economic development.	2.1	Compare the factors affecting population growth and how their impact differs in different countries.
		2.2	Summarise the consequences of population growth in different countries.
		2.3	Summarise the consequences of decrease in population in different countries.
		2.4	Explain the concept of an optimum population.
3	Understand the varying nature of economic development in different countries.	3.1	Explain the causes and consequences of different income and productivity rate in countries.
		3.2	Interpret the effect of varying population rates in different countries with respect to economic development.
		3.3	Summarise the impact of primary, secondary and tertiary sectors on different economies.

		3.4	Summarise the key factors creating economic differences in various countries.
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5		Introduction to Globalisation	
Aim			
This subject content will introduce students to the requirements and consequences of globalisation, along with exploring its key types and characteristics. The subject content aims to explain the major components of International and free trade. Learners will explore the impact of globalisation on different living standards.			
Learning Outcomes - The learner will:		Assessment Criteria - The learner can:	
1	Understand the role of globalisation on an economy.	1.1	Explain the purpose of globalisation.
		1.2	Judge the advantages and disadvantages of multinational companies.
		1.3	Judge the causes and consequences of protection.
		1.4	Compare the costs and benefits of free trade.
		1.5	Compare the basic methods of protection such as: (i) Subsidies, (ii) embargoes, (iii) tariff.
		1.6	Discuss basic objectives behind specialisation at national level.
		1.7	Compare strengths and limitations of specialisation at national level.
2	Understand the effect of exchange rates in a globalised economy.	2.1	Explain Foreign exchange rate with respect to floating and fixed systems.
		2.2	Summarise the major techniques to determine foreign exchange rates in foreign market.
		2.3	Summarise the causes and consequences of changes in foreign exchange rate.
3	Understand the impact of globalisation on balance of payment.	3.1	Explain the key components of current account of balance of payments such as: (i) trades in services and (ii) goods, (iii) primary and (iv) secondary income.
		3.2	Calculate deficits and surpluses on current account of balance of payments.

		3.3	Summarise the causes and consequences of current account deficit and surplus.
		3.4	Explain the significance of measures used to stabilise balance of payments.