



FAQs

What has changed?

1. The order of our topics and content has been re-arranged to align more naturally with the way a number of teachers choose to deliver the content in the classroom.
2. We have removed repetition, ensuring that content is in its most appropriate place.
3. Command words have been streamlined. We have five straightforward, clear and exact command words in the specification that make it explicit what is expected of students.
4. There is a little less for you to teach as we have removed some content.
5. We **haven't** made any changes to the structure of our assessments, or the types of questions your students will be asked.

How we are supporting you?

We know that you will have developed lesson plans and we don't want to add to your workload, so we have published a new scheme of work that should help if you need to make any changes to your delivery. You can find it here: <https://www.ocr.org.uk/qualifications/as-and-a-level/economics-h060-h460-from-2019/planning-and-teaching/>

We've also been working very closely with our publishing partner Hodder Education, who are producing a revised textbook that closely aligns with our updated specification. We've worked together to refresh some of our case studies and worked examples to help your students become familiar with the knowledge and skills needed in this qualification. You can find out more details at: [https://www.hoddereducation.co.uk/subjects/economics/products/16-18/ocr-a-level-economics-\(4th-edition\)](https://www.hoddereducation.co.uk/subjects/economics/products/16-18/ocr-a-level-economics-(4th-edition))

We have two webinars planned to help you get to grips with these changes; one soon on April 30th and the second after the summer exams on July 2nd.

Can I still use the old textbook?

Yes. Since we have only removed and rearranged content, the old textbook will still cover the full scope of the course.

However, the layout of new textbook will align more naturally with the way teachers have told us they choose to deliver content in the classroom, and with the new refreshed specification. The new textbook closely maps our specification with both content and structure, making it easier and more straightforward to teach from.

Hodder Education are including a 25% discount if you have previously brought the Economics textbook and a 20% general discount.

What questions are still relevant?

In view of the updates to the OCR Economics A level specification, it will be useful to explore an example of how the updates affect exam questions. To do this, we will examine two questions and explain why one is no longer valid and one is, even though the term 'retail bank' is mentioned in both.

1. *Evaluate the role of a retail bank in the financial sector. (25)*

Would this question have been valid before the revisions?

The financial sector section of the old specification states:

'explain the possible impact on the macroeconomy of the financial sector, including the effect of the role of retail, commercial and investment banks; pension funds, hedge funds and insurance funds, the stock market, the bond market; and the foreign exchange market'

'evaluate the role of the financial sector in the real economy'

The specification covers 'the role of a retail bank' (although the specification says explain, not evaluate) and the ability to evaluate the role of the financial sector in the real economy. Since a retail bank is part of the financial sector, this again indicates that this question could have been plausible under the old specification.

This section has been removed from the revised specification due to feedback from centres because specifying specific types of financial institution and financial instruments is too much detail for an A or and AS Level in Economics.

Thus, under the refreshed specification, the first question is no longer valid.

This brings us to the second question:

2. *The performance of Citigroup, one of the largest US retail banks, has recently improved. The bank had suffered huge losses during the **financial crisis of 2008** and it had to be rescued by the US central bank and government.*

*Evaluate whether a central bank should ever allow a **retail bank** to fail (25)*

There are two key points to discuss here (both in bold)

- a) Is it still valid to make specific reference to the financial crisis?

The old specification stated:

'explain how changes in the regulation of financial institutions may contribute to financial crises, such as in 2007–08'



This has been removed from the revised specification, as during our consultation with teachers it was felt that this was too prescriptive and narrowing. However, there is still the expectation that candidates are aware of topical economic issues. The reference to the financial crisis is in the stem of the question as a guide only and is a current issue to help put the question in a context. Therefore, this part of the question is still valid.

b) Is it still valid to include 'retail bank' in the actual question?

There is no specific reference to 'retail bank' in the revised specification, however it is still part of the financial sector and the question is fundamentally about the role of the central bank and not about the specific features of a retail bank.



The revised specification states in '5.3 Financial regulation'

'Explain: The role and functions of a central bank'

'Evaluate: The effectiveness of different policy measures available to a central bank in targeting macroeconomic indicators'

This is what this question is referring to.

It does not require in-depth knowledge of the role of a 'retail bank'. Rather, it requires knowledge of the role of the central bank and the way it supports banks by being the lender of the last resort. There are reasons why the central bank should support banks, such as preventing a run on the banks and so promoting financial stability. There are also reasons why the central bank should not support the failing bank, as this may enable more efficient banks to emerge.

In answering this question, it is also possible to evaluate the central bank's effectiveness. As included in the mark scheme,

- a central bank will be more concerned to prevent a bank failing if the banking sector is playing a key role in the internal performance of the economy
- if the banking sector is closely integrated into the greater financial sector, then a failing bank may have a significant impact on the external performance of the economy

In conclusion, this whole question is still valid for the revised specification.

OCR Resources: *the small print*: OCR acknowledges the use of the following content: page 1 - student pointing to graph - Syda Productions/Shutterstock.com; pages 2 and 3 - students studying financial graphs - SFIO CRACHO/Shutterstock.com

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