

# AS and A LEVEL ECONOMICS

## Case Study Template

### Guide to using a news article as a case study using the IDEAS template

Teacher prompt	Teaching and learning	Guidance
ISSUE(s)	Newspaper articles can bring economic issues to life, showing the contemporary relevance of economic theories and the application of policy ideas. Using case studies can illustrate issues in a way that mere explanation in the classroom rarely can. The issues raised in an article can form the basis for discussion, debate and further investigation.	Information and issues are presented in newspaper articles in a different way to the presentation of a textbook or even a data response question. Teachers can help students by providing signposts to the relevant issues, by sequencing the issues and by providing links to other articles, issues or Areas of Study.
DIFFERENTIATION	A carefully chosen article can be accessible to all students but also allow the gifted and talented students of Economics scope for deep learning and give them opportunities to make links between different Areas of Study. Classroom tasks based on the articles can be specifically linked to the Assessment Objectives for Economics, providing students with opportunities to demonstrate higher order skills.	Questions and activities linked to the Assessment Objectives can provide clear opportunities for differentiation, as can extension activities linked to the article. As the skills of Economics students develop, they can be guided into designing their own learning activities linked to the article, such as deciding on further research or drafting questions and activities to accompany the article.



# AS and A LEVEL ECONOMICS

Teacher prompt	Teaching and learning	Guidance
EXAMPLES	<p>Due to its very nature, a newspaper article will give only a limited range of examples and may well focus on just one. There is a role for teachers here, in deciding whether to provide additional examples or to ask the students to think of related or appropriate examples.</p>	<p>If students have previously worked on articles or data response questions relating to the issues in the current article, they may well be able to generate examples of their own to link with the article. If the issues are new to them, suggestions of relevant examples from the teacher would probably be welcomed.</p>
ASSESSMENT	<p>Learning tasks based on the article can be written so as to cover the Assessment Objectives for Economics. Researching key terms provides opportunities to demonstrate knowledge and understanding. Explaining the economic issues from the article allows students to practise the skill of applying knowledge and understanding. Students can be asked to analyse economic data in an article, which can create a platform for the evaluation of the issues raised.</p>	<p>In order to make progress, students need opportunities to practise all of the Assessment Objectives in a range of contexts and so learning activities should be designed with this in mind, thus for example, if tasks on the previous article were predominantly focused on Assessment Objectives 1 and 2, the current article could be used to develop analysis or evaluation skills.</p>
SUMMARY	<p>Summarising the key issues raised in the article can be useful in different ways. It can be used as a route into the learning activities or as the foundation for group or whole class discussion. When designing the desired learning outcomes from studying the article,</p>	<p>Summaries should be brief, giving an overview of the article and highlighting the key issues. The summary should lead on to the learning activities, acting both as a preview and a signpost. Detailed consideration of the article will take</p>



# AS and A LEVEL ECONOMICS

Teacher prompt	Teaching and learning	Guidance
	thought should be given as to whether the teacher or the students should summarise the key issues.	place during the learning activities and so an outline would be more appropriate than a detailed description.

## Examples of IDEAS template in use

A worked example using a news article as a case study using the IDEAS template: George Osborne makes commitment “to fight for full employment” in Britain – The Guardian, Monday 31 March 2014.

Teacher prompt	Teaching advice
ISSUE(S)	The central issue is that of having an employment target. Other macroeconomic issues which arise from the article are: policy conflicts and the Philips curve; the natural rate of unemployment; the measurement of unemployment; types of unemployment, particularly cyclical unemployment; reform of taxes and benefits to achieve full employment. Teachers may also wish to use the article for microeconomics and explore the issues of: opportunity cost; the working population; labour force and participation rates; labour market flexibility; labour mobility; government intervention; government failure.
DIFFERENTIATION	There are many opportunities here to create differentiated learning tasks. Students could be asked to define key terms from the article and to explain key issues identified by the teacher. More able candidates could go on to analyse the implications on macroeconomic policy of setting a target for employment. Students could evaluate the usefulness of different measures of full employment and policies to increase employment.
EXAMPLES	This announcement was covered extensively so students could be directed to other sources, such as the video clips available on the BBC News website, in order to deepen their understanding. Teachers may wish to have students examine the coverage from different sources to consider how articles may be biased. It may also be of interest to use the other sources to consider the responses of different individuals and organisations to George Osborne’s announcement.



# AS and A LEVEL ECONOMICS

Teacher prompt	Teaching advice
ASSESSMENT	Both a macroeconomic and a microeconomic approach [see “ISSUES” above] lend themselves to the creation of differentiated learning tasks. Assessment could be through written responses to questions or contribution to debate and discussion. A further approach could be to set research work as suggested in “EXAMPLES” above and build assessment opportunities into the research and reporting tasks.
SUMMARY	George Osborne has made a commitment to target full employment for Britain. Jobs will be a central goal of the Conservatives’ economic plan. He did not define full employment but stated that the specific target is to have more people working than any other countries of the G7. No new policies to help people into work have yet been announced.

## ***George Osborne makes commitment ‘to fight for full employment’ in Britain***

**Chancellor repudiates 1991 declaration by Norman Lamont that unemployment was a price worth paying to bring down inflation**

*The Guardian, Monday 31 March 2014 22.10 BST*

Version 2



# AS and A LEVEL ECONOMICS



Figure 1 - George Osborne -  
UK Chancellor

George Osborne has tried to bury one of the most toxic Tory legacies from the Thatcher and Major eras by pledging to create full employment in Britain.

In a direct repudiation of the famous declaration by Norman Lamont that unemployment was a price "well worth paying" to bring down inflation, the chancellor said that "mass unemployment is never a price worth paying".

Speaking at Tilbury Port on Monday, the chancellor highlighted the scale of his ambition by saying that he would like to ensure Britain has more people in work as a proportion of the population than any other G7 country.

Osborne said: "Today I'm making a new commitment, a commitment to fight for full employment in Britain – making jobs a central goal of our economic plan." The chancellor added: "There is no reason why Britain shouldn't aim to have the highest employment rate of any of the world's leading economies, to have more people working than any of the other countries in the G7 group.

"That's my ambition: the best place in the world to create a job, to get a job, to keep a job, to be helped to look for another job if you lose one."

The chancellor disowned the declaration by Lamont, John Major's first chancellor, who famously told MPs in 1991: "Rising unemployment and the recession have been the price that we have had to pay to get inflation down. That price is well worth paying." Osborne, who believes that Lamont's words helped to feed an impression that the Tories were uncaring, said: "Jobs matter – mass unemployment is never a price worth paying."

Treasury sources indicated that to achieve his G7 target, the chancellor would focus on having the largest proportion of working-age people in employment in the G7. Britain is currently in fourth place in the G7 on that measure with 70.8%, behind Germany (73.3%), Canada (72.5%) and Japan (71.7%), according to OECD figures for people aged 15 to 64. The final three are the US (67.4%), France (63.9%) and Italy (55.6%). All the figures are for 2013 with the exception of the French figures which are for 2012.

# AS and A LEVEL ECONOMICS

Osborne did not specify a definition of full employment. The Labour party has defined full employment as 80% of the working-age population in work.

The Bank of England and the Office for Budget Responsibility (OBR) suggest that once the "equilibrium rate" for unemployment is reached, then full employment is achieved. The OBR said in its fiscal and outlook forecast, published at the same time of the budget, that unemployment would fall to its equilibrium rate in 2018.

The equilibrium rate is not fixed. In its February 2014 inflation report, the Bank of England said that the medium-term equilibrium unemployment rate was 6% to 6.5%, which means that unemployment remains 0.75 to 1.25 points above this. The OBR said it judged that the long-term unemployment rate was 5.25% – with unemployment 1.75% above that. The bank says that the medium-term equilibrium unemployment rate will fall as demand recovers.

Osborne reminded his audience that Winston Churchill made an early commitment to full employment. "Seventy years ago this year, during the second world war, when Winston Churchill was prime minister of a coalition government, they set the first commitment to full employment."

But he said that the prevailing view in the 1940s, adopted by Labour, that the government could guarantee a job, was wrong. "In those days they thought government could micromanage the economy and guarantee a job for everyone. But – as we learnt again recently – you can't abolish boom and bust. Attempts past and present by governments to guarantee a job to every person are doomed to fail. There are always going to be ups and downs to the economic cycle. And spending billions of pounds creating jobs in the public sector doesn't work either. "The chancellor also hailed the raising of the personal tax free allowance to £10,000 from Sunday. This prompted Nick Clegg to accuse the chancellor of being a "tax magpie" for stealing the idea first appeared in the Liberal Democrat manifesto for the 2010 general election.

The deputy prime minister endorsed Osborne's call for full employment. He said: "Lots of people have got different definitions for full employment. All I want is for a maximum number of people in to be employed in the economy and a minimum number of people to be jobless. It's as simple as that." The chancellor's speech is another example of the influence of Lynton Crosby. The Tories' general election campaign director has told David Cameron and Osborne that they will not win next year if they just focus on their achievements in office. He says that they also have to outline a positive and compelling vision for the future.



# AS and A LEVEL ECONOMICS

Chris Leslie, the shadow chief secretary to the treasury, said: "Full employment is the right aspiration but George Osborne has announced no new policies today to help people into work. While he has been chancellor the number of young people stuck on the dole for more than 12 months has almost doubled and the number of people who want to work full-time but have had to take part-time jobs is at record levels.

"We need Labour's compulsory jobs guarantee to get young people and the long-term unemployed off benefits and into paid work. Labour would also make work pay by expanding free childcare for working parents, incentivising the living wage and introducing a lower 10p starting rate of tax."

Ed Balls, the shadow chancellor, will suggest on Tuesday that Osborne will struggle to meet his full employment target after putting at risk Britain's membership of the EU, which is vital to jobs. In a speech to the British Chambers of Commerce annual conference, the shadow chancellor will criticise the Tories' "arbitrary timetable for a referendum" in 2017 and say it is "creating huge uncertainty for business". Balls will say: "To walk away from our EU membership would be reckless, foolish and deeply damaging. It would be anti-investment, anti-jobs and anti-business."

Balls will depict Labour's approach as "pro-business, but anti-business-as-usual". He will say Labour's support for the EU will reassure businesses which value stability, while the party's planned reforms of the energy market will show it will not accept the status quo.

The original article can be found here: <http://www.theguardian.com/politics/2014/mar/31/george-osborne-full-employment-britain-inflation>