

## 'ECONOMIC B' A-LEVEL BRIDGING THE GAP WORK.

### Instructions

Use information from the extract and use your own knowledge about the impact of a recession to answer the exam question below. It is worth 20 marks and will consist of 3 paragraphs (1 point fully developed per paragraph). The fourth paragraph should be a conclusion (this will include your final judgement and any factors your judgement depends on).

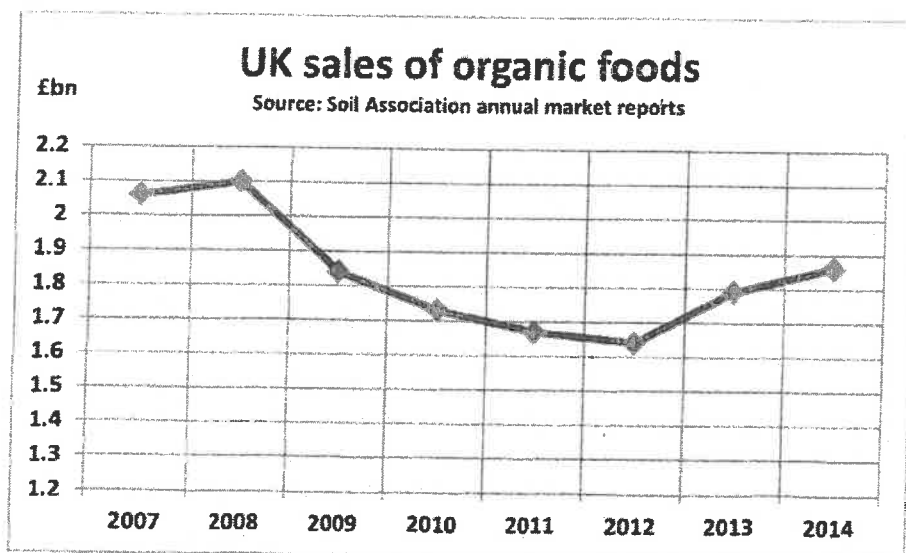
We are looking for students to be proactive and independent when researching the information for this answer. It should take you about 1 hour 30 minutes to research and to hand write your answer. Your answer should be detailed and be approximately 2 and a half sides of A4.

### **Extract A: Recovery in Organic Food Sales**

Sales of organic vegetables are back in growth, after a collapse in sales of more than 25% since the onset of recession in late 2008. In the 12 weeks to July 19<sup>th</sup> 2015 sales were up 10.1% by value. By comparison sales of conventional vegetables were down by 3.5% in that 12-week period. Organic food-promoter The Soil Association says that the reason for the sales growth is the publication of a research report from Newcastle University suggesting that organic fruit and vegetables are higher in antioxidants than standard fresh produce.

Others suggest that the sales recovery is to do with rising real incomes in 2015, as wage packets rise by 3% as at a time when inflation is zero. Understandably, the Soil Association dislikes the idea that sales of organic foods rise and fall with living standards, as this implies that organic is a luxury whim rather than a dietary and lifestyle choice.

### **Extract B: UK sales of organic foods 2007-2014**



Q. Evaluate the importance of the wider economic environment for UK producers and retailers of organic food. (20)

- boom/recession
- unemployment
- economic growth
- inflation

Your work will be marked with an A2L grade and will form part of your first tracker point.

**Key words to research to support your answer:**

- Recession
- Boom
- Economic Growth
- Unemployment
- Incomes
- Inflation
- Real incomes
- Income elastic products
- Luxury goods
- Necessities