



## A-Level Economics: Normative and Positive Statements Past Paper Questions

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### Question 1

**Statement 1:** The UK government increased education spending from £86.9 billion in 2012 to £87.3 billion in 2013.

**Statement 2:** The government should allocate an additional £1 billion to schools to improve the quality of education.

(a) Which **one** of the following best describes the two statements above?

(1)

Statement 1	Statement 2
<b>A</b> Positive	Positive
<b>B</b> Positive	Normative
<b>C</b> Normative	Positive
<b>D</b> Normative	Normative

Answer

### Question 2

**Statement 1:** The London Congestion Charge on motor vehicles has reduced air pollution in the city.

**Statement 2:** The plan to introduce a higher congestion charge for motor vehicles with a large engine is unfair.

Which of the following best describes the two statements above?

- A** Statement 1 is positive and statement 2 is normative.
- B** Both statements are normative.
- C** Statement 1 is normative and statement 2 is positive.
- D** Both statements are positive.

(a) **Answer**

(1)

(b) **Explanation**

(3)

### Question 3

Statement 1: Bonuses to financial sector workers in the City of London exceeded £13 billion in 2009.

Statement 2: A 50% tax on bonuses above £25,000 is fair.

Which of the following best describes the two statements above?

(1)

- A** Statement 1 is normative and statement 2 is positive.
- B** Both statements are normative.
- C** Statement 1 is positive and statement 2 is normative.
- D** Both statements are positive.

Answer

☐

Explanation

(3)

### Question 4

**Statement 1:** In the UK, a 50% tax rate applies on taxable earnings over £150 000 a year.

**Statement 2:** The 50% tax rate is unfair to high income earners since it reduces their living standards.

Which of the following best describes the two statements above?

(1)

- A** Statement 1 is normative and statement 2 is positive
- B** Both statements are positive
- C** Statement 1 is positive and statement 2 is normative
- D** Both statements are normative

Answer

☐

Explanation

(3)

## Question 5

**Statement 1:** In the March 2016 Budget the Chancellor of the Exchequer announced a tax increase on tobacco of 2% above the rate of inflation.

**Statement 2:** The increase in the tax on tobacco is unjustified since it takes up a high proportion of the income of the low paid.

Which **one** of the following best describes the two statements above?

(1)

- A Statement 1 is normative and statement 2 is positive
- B Both statements are normative
- C Statement 1 is positive and statement 2 is normative
- D Both statements are positive

Answer

☐

Explanation

(3)

## Question 6

**Statement 1:** In the March 2010 Budget the Chancellor of the Exchequer announced a tax increase on a packet of cigarettes of 2 per cent above the rate of inflation for each year between 2011 and 2014.

**Statement 2:** Tax now forms more than 75% of the price of a packet of cigarettes.

Which of the following best describes the two statements above?

(1)

- A Statement 1 is positive and statement 2 is normative
- B Both statements are positive
- C Statement 1 is normative and statement 2 is positive
- D Both statements are normative.

Answer

☐

Explanation

(3)

