

Write your name here

Surname

Other names

Centre Number

Candidate Number

**Edexcel GCE**

# Economics and Business

**Advanced**

**Unit 4B: The Wider Economic Environment and Business**

Monday 20 June 2011 – Afternoon

**Time: 1 hour 30 minutes**

Paper Reference

**6EB04/01**

**You must have:**

Insert containing all source material (enclosed)

Total Marks

## Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** questions in Section A and Section B.
- Answer the questions in the spaces provided – *there may be more space than you need.*
- You may use a calculator.

## Information

- The total mark for this paper is 80.
- The marks for **each** question are shown in brackets – *use this as a guide as to how much time to spend on each question.*
- Quality of written communication will be taken into account in the marking of your response to Questions 7(a) and 7(b) in Section B. These questions are indicated with an asterisk\* – *you should take particular care on these questions with your spelling, punctuation and grammar, as well as the clarity of expression.*
- Candidates are expected to be familiar with Evidence A to I for this paper before the examination.

## Advice

- Read each question carefully before you start to answer it.
- Keep an eye on the time.
- Try to answer every question.
- Check your answers if you have time at the end.

Turn over ►

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## SECTION A

**Evidence A to I was pre-issued before the date of the examination.**

**Using the evidence and your own knowledge, answer all six questions (total 30 marks).**

**Time allowed (35 minutes).**

### Additional Evidence J

#### Channel 4

Channel 4 is a UK public-service television broadcaster. Although commercially self-funded via advertising revenue, it is publicly owned and required to break even.

The channel was established in 1982 to provide an additional television service to the UK. It was designed to break the duopoly of the licence fee-funded BBC and the commercial broadcasting network, ITV. Channel 4 enjoys almost universal coverage in the UK and a significant audience share. This is despite increased competition from the growth of cable, satellite and digital services. 5

Channel 4 continues to have public service obligations. The Communications Act 2003 states that:

'The public service remit for Channel 4 is the provision of a broad range of high quality and diverse programming which, in particular: 10

- demonstrates innovation, experiment and creativity in the form and content of programmes
- appeals to the tastes and interests of a culturally diverse society
- makes a significant contribution to meeting the need for the licensed public service channels to include programmes of an educational nature and other programmes of educative value; and exhibits a distinctive character.' 15

The remit also involves an obligation to provide Schools Programming and a substantial amount of programming produced outside Greater London.

It could be argued that Channel 4 is a merit good. 20

(Source: adapted from [http://en.wikipedia.org/wiki/Channel\\_4](http://en.wikipedia.org/wiki/Channel_4))



1 What is meant by the term 'duopoly' (see Additional Evidence J, line 4)?

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**(Total for Question 1 = 2 marks)**

2 What is meant by the term 'publicly owned' (see Additional Evidence J, line 2)?

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**(Total for Question 2 = 2 marks)**



**3** Comment on the view that Channel 4 is a 'merit good' (see Additional Evidence J, line 20).

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**(Total for Question 3 = 4 marks)**

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**4** Analyse the likely impact on Channel 4's revenue of being obliged to provide 'programmes of an educational nature' (see Additional Evidence J, line 16).

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**(Total for Question 4 = 4 marks)**

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5 Assess the likely consequences for Channel 4 and ITV of finding themselves 'in deep trouble owing to ... economic downturn' (see Evidence F, lines 28–29).

Dotted lines for writing the answer.

**(Total for Question 5 = 8 marks)**



P 3 8 8 2 2 A 0 5 1 2

**6** Assess the likely consequences for consumers of YouTube’s deal with broadcasters (see Evidence B).

Dotted lines for writing.

**(Total for Question 6 = 10 marks)**

**TOTAL FOR SECTION A: 30 MARKS**



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**TURN OVER FOR SECTION B**



**SECTION B**

**Decision-making report**

**Using ALL the evidence provided and your own knowledge, answer both parts of the question (total 50 marks).**

**Time allowed (55 minutes).**

**\*7 (a) Assess the case for funding state television from general taxation rather than from the licence fee in the UK.**

**(20)**

A series of horizontal dotted lines provided for writing the answer.





Lined writing area with horizontal dotted lines.



\* (b) Evaluate the extent to which the UK government should intervene in the broadcasting market.

(30)

A series of horizontal dotted lines for writing the answer.



Handwriting practice area with 25 horizontal dotted lines.



Blank writing area with horizontal dotted lines.

**(Total for Question 7 = 50 marks)**

**TOTAL FOR SECTION B: 50 MARKS**  
**TOTAL FOR PAPER: 80 MARKS**

