

ECAA Practice Essays

Please see below three practice ECAA essay questions. Note you will need to be able to access the Economist, or alternatively find similar articles on the issues discussed.

For each question, you would be given 60 minutes in timed conditions.

Please note that these are just practice questions and the real question is likely to be based on another article.

Q1

Read the following article:

<https://www.economist.com/finance-and-economics/2021/01/16/new-research-shows-the-robots-are-coming-for-jobs-but-stealthily>

- Evaluate two advantages and two disadvantages of automation.
- Given this information, to what extent would a higher tax on capital be effective?

Q2

Read the following article:

<https://www.economist.com/finance-and-economics/2020/12/16/is-a-wave-of-supply-chain-reshoring-around-the-corner>

- Evaluate the benefits and drawbacks, to firms and the wider economy, of firms moving their supply chains closer to consumers (“reshoring”).
- To what extent does the benefit of reshoring depend on the government policies that are in place?

Q3

Read the following article:

<https://www.economist.com/finance-and-economics/2020/12/05/will-central-bank-digital-currencies-break-the-banking-system>

- Evaluate the advantages and disadvantages of a decision to create a central bank digital currency (CBDC).
- To what extent can the issues around CBDCs be circumvented by changing the design of the CBDC or the working of the financial system?

Tom Furber

Economics Tutor

Email: tomftutor@gmail.com