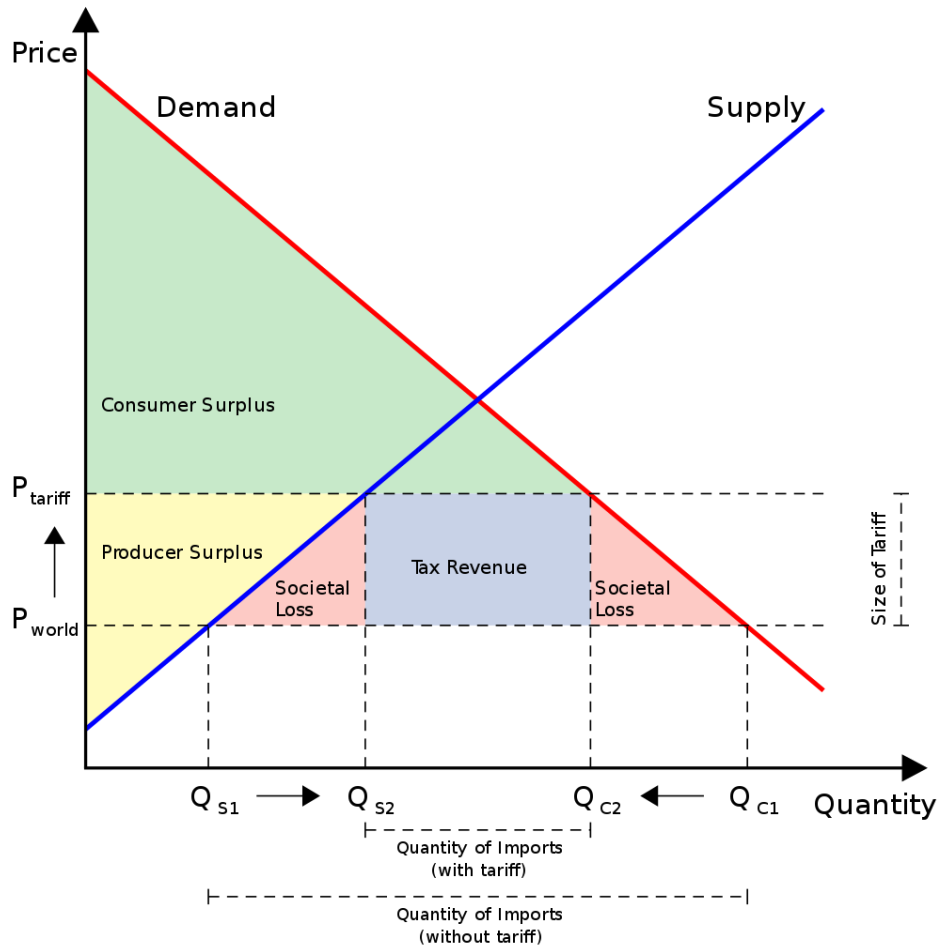


A-Level Economics

Mayfield Curriculum Map



A-Level Economics Curriculum Map

Overview

A-Level Economics is a two-year course consisting of four themes. Themes one and three typically match up, as do topics two and four. However, there are many overlaps between the content across units.

The aim of the Economics curriculum is to develop students' understanding of how the local / national / global economy works through analysing economic issues, problems and institutions that affect everyday life. We do this by quality first teaching which ensures students understand underlying Economic theory which students apply to a variety of familiar and unfamiliar case studies.

Disciplinary Knowledge

- Analysis in a economics context
- Evaluate the economic situation
- Reasoned judgement explaining cause / consequence
- Follow national and global economic developments

- Data handling and evaluation of the data
- Confident and appropriate use of economics terminology
- Presentation skills in an economics context

The Edexcel specification identifies the key skills needed for success in A Level Economics:

AO1: Demonstrate knowledge of terms/concepts and theories/models to show an understanding of the behaviour of economic agents and how they are affected by and respond to economic issues

AO2: Apply knowledge and understanding to various economic contexts to show how economic agents are affected by & respond to economic issues

AO3: Analyse issues within economics, showing an understanding of their impact on economic agents

AO4: Evaluate economic arguments and use qualitative and quantitative evidence to support informed judgements relating to economic issues

These skills are developed in each of the units of work in Year 12 and 13, carefully sequenced to ensure the different skills required for different exam questions are addressed.

Section A Multiple Choice questions:

Technique required to demonstrate knowledge (AO1), application (AO2) and some analysis (AO3). Understanding, interpreting and calculating quantitative information incl. ratios, percentages, index numbers, interpreting a range of graphical, written, tabular and numerical forms, converting nominal and real terms, level and rate of change, seasonal adjustments

Section B Data Response:

All skills required knowledge (AO1), application (AO2), analysis (AO3) and evaluation (AO4). Rehearsal of required exam technique for 8- 15 mark questions to achieve the highest assessment mark bands. Particular focus on developing analytical chains of reasoning (including diagrams where possible) and utilising the data to maximise application marks.

Section C Essay:

All skills required knowledge (AO1), application (AO2), analysis (AO3) and evaluation (AO4). Modelling, rehearsal and practice of essay writing focusing particularly on developed evaluation chains and application through bringing in own knowledge developed through the course.

Year 12 (Teacher 1)

Theme 1 and 3

Term 1

Content

1.1.1 Economics as a social science a) Thinking like an economist: the process of developing models in economics, including the need to make assumptions b) The use of the ceteris paribus assumption in building models c) The inability in economics to make scientific experiments

1.1.2 Positive and normative economic statements a) Distinction between positive and normative economic statements b) The role of value judgements in influencing economic decision making and policy

1.1.3 The economic problem a) The problem of scarcity – where there are unlimited wants and finite resources b) The distinction between renewable and nonrenewable resources c) The importance of opportunity costs to economic agents (consumers, producers and government)

1.1.4 Production possibility frontiers a) The use of production possibility frontiers to depict: the maximum productive potential of an economy opportunity cost (through marginal analysis) economic growth or decline efficient or inefficient allocation of resources possible and unobtainable production b) The distinction between movements along and shifts in production possibility curves, considering the possible causes for such changes c) The distinction between capital and consumer goods

1.1.5 Specialisation and the division of labour a) Specialisation and the division of labour: reference to Adam Smith b) The advantages and disadvantages of specialisation and the division of labour in organising production c) The advantages and disadvantages of specialising in the production of goods and services to trade d) The functions of money (as a medium of exchange, a measure of value, a store of value, a method of deferred payment)

1.1.6 Free market economies, mixed economy and command economy a) The distinction between free market, mixed and command economies: reference to Adam Smith, Friedrich Hayek and Karl Marx b) The advantages and disadvantages of a free market economy and a command economy c) The role of the state in a mixed economy

Key Questions

What is a social science? What is ceteris paribus and why does it matter? What is a value judgement? What is the basic economic problem? What is opportunity cost and why does it matter? What are non renewable resources? What does a PPF show? Extension: How do different economic systems (UK, North Korea, USA,) allocate resources?

Term 2

Content

1.2.1 Rational decision making a) The underlying assumptions of rational economic decision making: consumers aim to maximise utility, firms aim to maximise profits

1.2.2 Demand a) The distinction between movements along a demand curve and shifts of a demand curve b) The factors that may cause a shift in the demand curve c) The concept of diminishing marginal utility and how this influences the shape of the demand curve

1.2.4 Supply a) The distinction between movements along a supply curve and shifts of a supply curve b) The factors that may cause a shift in the supply curve

1.2.6 Price determination a) Equilibrium price and quantity and how they are determined b) The use of supply and demand diagrams to depict excess supply and excess demand c) The operation of market forces to eliminate excess demand and excess supply

1.2.5 Elasticity of supply a) Understanding of price elasticity of supply b) Use formula to calculate price elasticity of supply c) Interpret numerical values of price elasticity of supply: perfectly and relatively elastic, and perfectly and relatively inelastic d) Factors that influence price elasticity of supply e) The distinction between short run and long run in economics and its significance for elasticity of supply

1.2.3 Price, income and cross elasticities of demand a) Understanding of price, elasticities of demand b) Use formulae to calculate price elasticities of demand. c) Interpret numerical values of price elasticity of demand: unitary elastic, perfectly and relatively elastic, and perfectly and relatively inelastic d) The factors influencing elasticities of demand e) The significance of elasticities of demand to firms and government f) The relationship between price elasticity of demand and total revenue (including calculation)

1.2.3 income and cross elasticities of demand a) Understanding of, income and cross elasticities of demand b) Use formulae to calculate income and cross elasticities of demand. c) Interpret numerical values of: -income elasticity of demand: inferior, normal and luxury goods; relatively elastic and relatively inelastic - cross elasticity of demand: substitutes, complementary and unrelated goods d) The factors influencing elasticities of demand e) The significance of elasticities of demand to firms and government in terms of: - changes in real income - changes in the prices of substitute and complementary goods

1.2.6 Price determination d) The use of supply and demand diagrams to show how shifts in demand and supply curves cause the equilibrium price and quantity to change in real - world situations how much a demand or supply curve shifts in a given situation the PED or PES on the curve in which there is a movement along

1.2.8 Consumer and producer surplus a) The distinction between consumer and producer surplus b) The use of supply and demand diagrams to illustrate consumer and producer surplus c) How changes in supply and demand might affect consumer and producer surplus

Key Questions

What is Demand? Supply? What factors cause a shift in D? S? What is an equilibrium price? What is excess S/D? How does excess S/D affect market equilibriums? What is PED/PES/XED/YED? Why is elasticity important? What factors affect PED/PES? IS PED for bottled water elastic or inelastic? If price rises what happens to revenue of PED is elastic? Inelastic? Why does PED change along the length of a demand curve? Is the S of housing/ nuclear energy elastic or inelastic? What is consumer surplus/ producer surplus? Why do they matter?

Term 3

Content

1.2.7 Price mechanism a) Functions of the price mechanism to allocate resources: rationing, incentive, signalling b) The price mechanism in the context of different types of markets, including local, national and global markets

1.2.9 Indirect taxes and subsidies a) Supply and demand analysis, elasticities, and: -the impact of indirect taxes on consumers, producers and government -the incidence of indirect taxes on consumers and producers e) The significance of elasticities of demand to firms and government in terms of the imposition of indirect taxes

1.2.9 Indirect taxes and subsidies a) Supply and demand analysis, elasticities, and the impact of subsidies on consumers, producers and government - the area that represents the producer subsidy and consumer subsidy e) The significance of elasticities of demand to firms and government in terms of the imposition of subsidies

1.2.10 Alternative views of consumer behaviour a) The reasons why consumers may not behave rationally: consideration of the influence of other people's behaviour the importance of habitual behaviour consumer weakness at computation

1.3.1 Types of market failure a) Understanding of market failure b) Types of market failure externalities; under - provision of public goods ; information gaps

1.3.3 Public goods a) Distinction between public and private goods using the concepts of non - rivalry and non - excludability b) Why public goods may not be provided by the private sector: the free rider problem

1.3.4 Information gaps a) The distinction between symmetric and asymmetric information b) How imperfect market information may lead to a misallocation of resources

Key Questions

What is allocative efficiency? Why does it matter? How does the price mechanism allocate resources? What is the difference between a unit and ad valorem tax? What is a subsidy? What are the pros and cons of subsidising products such as public transport or renewable energy? Why don't consumers always act rationally? Give examples of public goods Why is the nhs NOT a public good? Explain why PPI/ fatty foods are examples of an information failure? Why will information gaps lead to a misallocation of resources? What can a Government do to reduce the impact of information gaps

Term 4

Content

1.3.2 Externalities a) Distinction between private costs, external costs and social costs b) Distinction between private benefits, external benefits and social benefits c) Use of a diagram to illustrate: the external costs of production using marginal analysis; the distinction between market equilibrium and social optimum position identification of welfare loss area d) Use of a diagram to illustrate: the external benefits of consumption using

marginal analysis the distinction between market equilibrium and social optimum position identification of welfare gain area e) The impact on economic agents of externalities and government intervention in various markets

1.4.1 Government intervention in markets a) Purpose of intervention with reference to market failure and using diagrams in various contexts: indirect taxation (ad valorem and specific) subsidies

1.4.1 Government intervention in markets a) Purpose of intervention with reference to market failure and using diagrams in various contexts: maximum and minimum prices 1

1.4.1 Government intervention in markets b) Other methods of government intervention: trade pollution permits state provision of public goods; provision of information; regulation

1.4.2 Government failure a) Understanding of government failure as intervention that results in a net welfare loss b) Causes of government failure: distortion of price signals; unintended consequences; excessive administrative costs ; information gaps c) Government failure in various markets

Key Questions

What is the social optimum? Free market outcome? Give examples of externalities in the provision of education and training / green energy/ fracking/ flood defences What examples of market failure can we find in the Housing Market? How do Governments correct market Failure? How does Minimum prices in Scotland correct market failure? How would a minimum price work in Agricultural production? What is a maximum price? How could this operate in the rented housing market? Will a sugar tax correct market failure? Which method is best for correcting market failure: indirect tax or a minimum price? Can you give examples of Government Failure? To what extent does: the NHS; Universal Credit provide evidence of Government Failure

Term 5/6

Content

3.1.1 Sizes and types of firms a) Reasons why some firms tend to remain small and why others grow b) Significance of the divorce of ownership from control: the principal-agent problem c) Distinction between public and private sector organisations d) Distinction between profit and not-for-profit organisations

3.1.2 Business growth a) How businesses grow: organic growth forward and backward vertical integration horizontal integration conglomerate integration b) Advantages and disadvantages of: organic growth vertical integration horizontal integration conglomerate integration c) Constraints on business growth: size of the market access to finance owner objectives regulation

3.3.3 Economies and diseconomies of scale a) Types of economies and diseconomies of scale b) Minimum efficient scale c) Distinction between internal and external economies of scale

3.1.3 Demergers a) Reasons for demergers b) Impact of demergers on businesses, workers and consumers

3.3.1 Revenue a) Formulae to calculate and understand the relationship between: total revenue, average revenue, marginal revenue b) Price elasticity of demand and its relationship to revenue concepts (calculation required)

3.3.2 Costs a) Formulae to calculate and understand the relationship between: total cost, total fixed cost, total variable cost average (total) cost average fixed cost average variable cost marginal cost b) Derivation of short -run cost curves from the assumption of diminishing marginal productivity c) Relationship between short -run and long -run average cost curves

3.3.4 Normal profits, supernormal profits and losses a) Condition for profit maximisation b) Normal profit, supernormal profit and losses diagrammatic analysis

Key Questions

Why do some firms remain small? What are the motives for business growth What is the public/ private/ voluntary sector Give examples of businesses in each sector Why do some organisations transfer form private to public sector (or vv)? Why do some firms choose to grow organically? What are the advantages of

horizontal/vertical. Conglomerate mergers? What are the motives for external growth in the case of Fraser Group? What are unit costs? Why do unit costs fall as output increases? What are economies/ diseconomies of scale? Give examples How does the concept of EoS explain why firms grow? Distinguish between internal/external EoS, with examples What stops a business growing? What is a demerger? Why do demergers happen? Give examples of demergers How are workers/ consumers affected by demergers? Why does TR always rise in PC market? Why does TR rise then fall in an imperfect market? What is MR? How is MR calculated?

Skills

Be able to perform percentage calculations, draw graphs, interpret numerical information, for example: Calculations of PED/XED/PES/YED; drawing, adjusting and interpreting D and S diagrams

- Use diagrammatic analysis to explore changes in markets eg draw demand and supply diagrams; externality diagrams
- Apply their economic skills and knowledge in a variety of situations
- Know how to answer exam questions, MCQs short answers, 10, 12, 15, 25 mark questions. These skills will be developed from short answers and 10 markers in the first half term to 15 and 25 mark questions by the third half term
- Know how to plan and produce an extended piece of writing in answer to a question. This will involve the following:
 - Know the assessment objectives and how they relate to different style questions
 - Know how to develop chains of analysis
 - Be able to make points as counterbalances
 - Apply knowledge to case studies and real world examples
 - Evaluating and drawing conclusions
- Know how to communicate their economic knowledge of concepts and theories and wider reading, in a range of contexts: PowerPoint presentations, reports, essays, group discussions and debates

Literacy and Numeracy

Literacy is developed through the range of writing tasks students complete throughout the course. Wider reading and research skills are encouraged, case studies used in class research tasks, as well as directing students to the super curriculum The concepts covered require the development of a range of numeracy skills: % changes; elasticities; interpretation of graphs; index numbers

Assessments

End of topic spiral assessments: A series of MCQs and short answer questions and extended writing (10/12 marks) based on case study information

- Class discussions of how to answer a MCQS/ short answer/10 mark/12 mark questions. Practice questions are peer assessed in class or teacher marked
- Quizlet used to test knowledge

Year 12 (Teacher 2)

Theme 2

Term 1

Content

2.1.1 Economic growth a) Rates of change of real Gross Domestic Product (GDP) as a measure of economic growth b) Distinction between: real and nominal; total and per capita; value and volume c) Other national income measures: Gross National Income (GNI) d) Comparison of rates of growth between countries and over time e) Understanding of Purchasing Power Parities (PPPs) and the use of PPP adjusted figures in international comparisons f) The limitations of using GDP to compare living standards between countries and over time g) National happiness: UK national wellbeing; The relationship between real incomes and subjective happiness

2.5.3 Trade (business) Cycle a) Understanding of the trade (business) cycle b) Characteristics of a boom c) Characteristics of a recession

2.2.1 The characteristics of AD a) Components of AD: $C+I+G+(X-M)$ b) The relative importance of the components of AD c) The AD curve d) The distinction between a movement along, and a shift of, the AD curve

2.2.2 Consumption (C) a) Disposable income and its influence on consumer spending b) An understanding of the relationship between savings and consumption c) Other influences on consumer spending: o interest rates o consumer confidence o wealth effects

2.2.3 Investment (I) a) Distinction between gross and net investment b) Influences on investment: o the rate of economic growth o business expectations and confidence o Keynes and 'animal spirits' o demand for exports o interest rates o access to credit o the influence of government and regulations

2.2.4 Government expenditure (G) a) The main influences on government expenditure: o the trade cycle o fiscal policy

2.2.5 Net trade (X-M) a) The main influences on the (net) trade balance: o real income o exchange rates o state of the world economy o degree of protectionism o non-price factors

Key Questions

What is an Economy? How can we measure Economic growth? What is GDP and how is this measured? Why is comparing Economic growth using Total GDP values misleading? What factors lead to economic growth or decline? What is a recession? How does PPP differ from GDP per capita as a comparison? How can we measure "living standards"? What is meant by aggregate demand for goods and services? How are AD and GDP related? What are the components of AD? What causes AD to increase/decrease? What causes a movement along the AD curve? What causes a shift in the AD curve? What influences levels of consumption? How does the rate of income tax influence disposable income? What is meant by APC/MPC? How will confidence in the economy impact APC and APS? How can interest rates influence spending? What is meant by Investment?

Term 2

Content

2.3.1 The characteristics of AS a) The AS curve b) The distinction between movement along, and a shift of, the AS curve c) The relationship between short-run AS and long-run AS

2.3.2 Short-run AS a) Factors influencing short-run AS: o changes in costs of raw materials and energy o changes in exchange rates o changes in tax rates

2.3.3 Long-run AS a) Different shapes of the long-run AS curve: Keynesian; classical b) Factors influencing long-run AS: technological advances; changes in relative productivity; changes in education and skills; changes in government regulations; demographic changes and migration; competition policy

2.1.2 Inflation a) Understanding of: inflation; deflation; disinflation b) The process of calculating the rate of inflation in the UK using the Consumer Prices Index (CPI) c) The limitations of CPI in measuring the rate of inflation d) The Retail Prices Index (RPI) as an alternative measure of the rate of inflation e) Causes of inflation: demand pull; cost push; growth of the money supply f) The effects of inflation on consumers, firms, the government and workers

2.1.3 Employment and Unemployment a) Measures of unemployment: o the claimant count o the International Labour Organisation (ILO) and the UK Labour Force Survey b) The distinction between unemployment and under-employment c) The significance of changes in the rates of: employment; unemployment; inactivity d) The causes of unemployment: structural unemployment; frictional unemployment; seasonal unemployment; demand deficiency and cyclical unemployment; real wage inflexibility e) The significance of migration and skills for employment and unemployment f) The effects of unemployment on consumers, firms, workers, the government and society

Key Questions

What is meant by Aggregate Supply? How does general price level influence levels of AS? Can AS increase indefinitely? Why not? Other than price levels, what else may influence AS? In the long run how can AS increase? How can an economy increase productivity? How can an economy increase factors of production? What is

inflation? What is the target rate of inflation? Why do we set a target rate? What are the costs of high inflation or deflation? What is meant by unemployment? What influences the levels of unemployment? What are the costs of high unemployment?

Term 3

Content

2.1.4 Balance of Payments a) Components of the balance of payments, with particular reference to the current account, and the balance of trade in goods and services b) Current account deficits and surpluses c) The relationship between current account imbalances and other macroeconomic objectives d) The interconnectedness of economies through international trade

2.4.1 National income a) The circular flow of income b) The distinction between income and wealth

2.4.2 Injections and Withdrawals a) The impact of injections into, and withdrawals from, the circular flow of income

2.4.3 Equilibrium levels of real national output a) The concept of equilibrium real national output b) The use of AD/AS diagrams to show how shifts in AD or AS cause changes in the equilibrium price level and real national output

2.4.4 The multiplier a) The multiplier ratio b) The multiplier process c) Effects of the multiplier on the economy d) Understanding of marginal propensities and their effects on the multiplier: the marginal propensity to consume (MPC); the marginal propensity to save (MPS) o the marginal propensity to tax (MPT); the marginal propensity to import (MPM) e) Calculations of the multiplier using the formulae $1/(1-MPC)$ and $1/MPW$, where $MPW=MPS+MPT+MPM$ f) The significance of the multiplier for shifts in AD

Key Questions

Is the UK a net importer or exporter? Why? Why would an economy want to increase exports? How does an injection or withdrawal impact economic growth? What does the overall impact on GDP depend upon? What else influences growth? What is meant by a trade off? How can the government influence economic growth? Other than economic growth what might an economy want to achieve? Why? How can tax benefit an economy? How do interest rates impact borrowing?

Term 4

Content

2.5.1 Causes of growth a) Factors which could cause economic growth b) The distinction between actual and potential growth c) The importance of international trade for (export-led) economic growth

2.5.2 Output gaps a) Distinction between actual growth rates and long-term trends in growth rates b) Understanding of positive and negative output gaps and the difficulties of measurement c) Use of an AD/AS diagram to illustrate an output gap (level of spare capacity) in an economy

2.5.3 Trade (business) Cycle a) Understanding of the trade (business) cycle b) Characteristics of a boom c) Characteristics of a recession

2.5.4 The impact of economic growth a) The benefits and costs of economic growth and the impact on: o consumers; firms; the government; current and future living standards

2.6.1 Possible Macroeconomic objectives a) Economic growth b) Low unemployment c) Low and stable rate of inflation d) Balance of payments equilibrium on current account e) Balanced government budget f) Protection of the environment g) Greater income equality

2.6.2 Demand-side Policies a) Distinction between monetary and fiscal policy b) Monetary policy instruments: o interest rates o asset purchases to increase the money supply (quantitative easing) c) Fiscal policy instruments: o government spending and taxation d) Distinction between government budget (fiscal) deficit and surplus e)

Distinction between, and examples of, direct and indirect taxation f) Use of AD/AS diagrams to illustrate demand-side policies g) The role of the Bank of England: o the role and operation of the Bank of England's Monetary Policy Committee h) Awareness of demand-side policies in the Great Depression and the Global Financial Crisis of 2008 o different interpretations o policy responses in the US and UK i) Strengths and weaknesses of demand-side policies

Key Questions

Explain the difference between short run economic growth and long run economic growth. How can an economy grow in the long run with finite resources? Impact of recession/ boom on economic agents? Why do economies have an objective of stable growth? What are the benefits of economic growth? What is meant by sustainable growth? What are the costs of economic growth? Why do economies want to ensure resources are fully utilised? How can they improve productivity? What is the role of the Bank of England? What is the target rate of inflation?

Term 5

Content

2.6.3 Supply-side policies a) Distinction between market-based and interventionist methods b) Market-based and interventionist policies: to increase incentives; to promote competition; to reform the labour market; to improve skills and quality of the labour force; to improve infrastructure c) Use of AD/AS diagrams to illustrate supply-side policies d) Strengths and weaknesses of supply-side policies

2.6.4 Conflicts and trade offs between objectives and policies a) Potential conflicts and trade-offs between the macroeconomic objectives b) Short-run Phillips curve c) Potential policy conflicts and trade-offs Consolidation of all topics and exam technique

Key Questions

What causes an increase in AS? How can market forces result in higher AS? How can the government intervene? Why do Government policies cause trade offs? What is the Philips Curve?

Skills

Be able to perform percentage calculations, draw graphs, interpret numerical information, for example: drawing, adjusting and interpreting AD and AS diagrams, index numbers, percentage changes

- Use diagrammatic analysis to explore changes in markets eg draw demand and supply diagrams; externality diagrams
- Apply their economic skills and knowledge in a variety of situations
- Know how to answer exam questions, MCQs short answers, 10, 12, 15, 25 mark questions. These skills will be developed from short answers and 10 markers in the first half term to 15 and 25 mark questions by the third half term
- Know how to plan and produce an extended piece of writing in answer to a question. This will involve the following:
 - Know the assessment objectives and how they relate to different style questions
 - Know how to develop chains of analysis
 - Be able to make points as counterbalances
 - Apply knowledge to case studies and real world examples
 - Evaluating and drawing conclusions

Know how to communicate their economic knowledge of concepts and theories and wider reading, in a range of contexts: PowerPoint presentations, reports, essays, group discussions and debates

Assessments

End of topic spiral assessments: A series of MCQs and short answer questions and extended writing (10/12 marks) based on case study information

- Class discussions of how to answer a MCQS/ short answer/10 mark/12 mark questions. Practice questions are peer assessed in class or teacher marked
- Quizlet used to test knowledge

Year 13 (Teacher 1)

Theme 3

Term 1

Content

Revise Theory of costs and revenues/ profits/ drawing cost and revenue diagrams after summer holidays

3.3.4 Normal profits, supernormal profits and losses a) Condition for profit maximisation b) Normal profit, supernormal profit and losses diagrammatic analysis c) Short-run and long-run shut-down points:

3.4.2 Perfect competition a) Characteristics of perfect competition b) Profit maximising equilibrium in the short run and long run c) Diagrammatic analysis

3.4.3 Monopolistic competition a) Characteristics of monopolistically competitive markets b) Profit maximising equilibrium in the short run and long run c) Diagrammatic analysis

3.4.4 Oligopoly a) Characteristics of oligopoly: high barriers to entry and exit; high concentration ratio; interdependence of firms; product differentiation b) Calculation of n-firm concentration ratios and their significance c) Reasons for collusive and non-collusive behaviour d) Overt and tacit collusion; cartels and price leadership f) Types of price competition: price wars; predatory pricing; limit pricing g) Types of non-price competition

Key Questions

How is profit calculated? What is normal profit? How does the economist's view of profit differ from that of an accountant? Why does the shutdown point differ in SR compared to the LR? What are normal profits and Supernormal profits? What are barriers to entry and exit? Why are some firms interdependent? How and why do firms create product differentiation? Can you give examples of markets that are close to perfect markets? How does the theory of Perfect competition fit in with the theory of D and S? Why are perfect markets allocatively and productively efficient? Can you give examples of monopolistically competitive markets? What is the KDC? How does interdependence affect the behaviour of firms in an oligopoly? Why do oligopolists earn SNP in SR and LR How do oligopolistic markets affect consumers and workers?

Term 2

Content

3.4.5 Monopoly a) Characteristics of monopoly b) Profit maximising equilibrium c) Diagrammatic analysis

3.4.1 Efficiency c) Dynamic efficiency d) X-inefficiency

3.4.5 Monopoly d) Third degree price discrimination: necessary conditions; diagrammatic analysis; costs and benefits to consumers and producers e) Costs and benefits of monopoly to firms, consumers, employees and suppliers f) Natural monopoly

3.4.1 Efficiency a) Allocative efficiency b) Productive efficiency

3.6.1 Government intervention a) Government intervention to control mergers b) Government intervention to control monopolies: price regulation; profit regulation; quality standards; performance targets

3.6.2 The impact of government intervention a) The impact of government intervention on: prices; profit; efficiency; quality; choice b) Limits to government intervention: regulatory capture asymmetric information c) Government intervention to promote competition and contestability: enhancing competition between firms through promotion of small business; deregulation; competitive tendering for government contracts; privatisation

Key Questions

What is a legal / pure monopoly? What are Allocative, productive, dynamic efficiency and xinefficiency? What is price discrimination? Why can price discrimination only occur when firms have monopoly power? What are the benefits and costs of price discrimination for consumers? Firms? Explain why monopoly tends to lead to allocative inefficiency What are the arguments for mergers boosting or reducing efficiency? How are consumers affected by M and A? Why do businesses have different objectives? What kinds of businesses have satisficing objectives? Demonstrate P max/Rev max/sales max on a diag Give examples of businesses which would have each kind of

objectives Why and how do governments intervene in markets? How can Governments promote competition?
Whys does regulation sometimes fail?

Term 3

Content

Recap/review exam techniques Recap 3.61. regulation and promotion of competition 3.4.6 Monopsony a) Characteristics and conditions for a monopsony to operate b) Costs and benefits of a monopsony to firms, consumers, employees and suppliers

3.6.1 Government Intervention d) Government intervention to protect suppliers and employees: restrictions on monopsony power of firms; nationalisation

3.4.7 Contestability a) Characteristics of contestable markets b) Implications of contestable markets for the behaviour of firms c) Types of barrier to entry and exit d) Sunk costs and the degree of contestability Trial exams rev and feedback

3.5.1 Demand for labour a) Factors that influence the demand for labour b) Demand for labour as a derived demand

3.5.2 Supply of labour a) Factors that influence the supply of labour to a particular occupation b) Market failure in labour markets: the geographical and occupational mobility and immobility of labour

Key Questions

What is a monopsony? Give egs How do monopsonies impact consumers? Suppliers? How does the contestability of a market affect a firm's behaviour? How does contestability change the way we think about the neoclassical theory of the firm? Why would Government wish to promote contestability? How can it promote more contestability? Why does the D curve for labour slope downwards? What causes shifts in D for labour? Why will the D for labour be inelastic/elastic? What is a derived demand? Why is the individual S curve for labour backward bending? Why does the industry S curve for labour slope upwards? What causes shifts in S for labour? Why will the S for labour be inelastic/elastic? How does the S curve for labour differ in a competitive and uncompetitive market? What is geographical and occupational immobility of labour?

Term 4

Content

3.5.3 Wage determination in competitive and noncompetitive markets a) Diagrammatic analysis of labour market equilibrium b) Understanding of current labour market issues c) Government intervention in the labour market: maximum and minimum wages; public sector wage setting; policies to tackle labour market immobility d) The significance of the elasticity of demand for labour and the elasticity of supply of labour

Synoptic paper 3 – preparation/ exam technique Synoptic essay practice questions

Key Questions

Why do wage rates differ between industries? Distinguish between perfectly competitive and imperfectly competitive labour markets How do unions affect labour markets? What is a monopsony buyer of labour? How does this affect wages and employment levels What is a bilateral monopoly? How do the following affect wage determination: Gender? Ethnicity? Age? Unionisation? What is the gig economy? Why do wages differ across regions of UK? How has immigration affected labour markets? Whys does training be considered a market failure How do maximum and minimum wages work? What is public sector wage setting? How can the Government reduce geographical and occupational immobility of lab?

Term 5

Content

Revision, focusing on: Paper 1: Microeconomics Paper 3: Synoptic paper – macro and micro economics

Key Questions

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Assessments

Early Assessment on growth of firms and Costs and revenues, to recap Theme 3 work from summer term

- End of topic assessments: A series of MCQs and short answer questions and extended writing (10/12 marks) based on case study information, used throughout the course
- Short answer/ MCQ and diagram test used through theory of the firm module
- Class discussions of how to answer a MCQS/ short answer/10 mark/12 mark questions. Practice questions are peer assessed in class or teacher marked

Year 13 (Teacher 2)

Theme 4

Term 1

Content

4.4. The financial sector

- The role of financial markets • Market failure in the financial sector • The role of central banks Key case study country: UK and impact of the 2008 financial crisis (as well as exam case

Key Questions

What roles does the financial sector play in an economy? What were the key market failures that led to the 2008 financial crisis? What role does the central bank play in an economy? What policies were used to stabilise the financial sector following

Term 2

Content

4.5 The role of the state in the macroeconomy

- Public expenditure • Taxation • Public sector finances • Macroeconomic policies in a global context Key case study country: UK (as well as exam case studies explored in class)

Key Questions

What is the distinction between capital expenditure, current expenditure and transfer payments? What is the significance of increasing levels of public expenditure on the economy? What are the likely economic effects of an increase in the marginal rate of income tax? What are the likely economic effects of an increase in the VAT? What are the factors causing a fiscal deficit? What are the factors influencing the size of the national debt? What policies can be used to reduce the national debt? What are the likely impacts of lowering interest rates and increasing the supply of money on the UK economy? What are the limits on governments to control MNCs?

Term 3

Content

4.1 International economics

- Globalisation • Specialisation and trade • Pattern of trade • Terms of trade • Trading blocs and WTO • Restricting free trade • Balance of payments • Exchange rates • International competitiveness Key case study countries: UK and Zambia (as well as exam case studies explored in class e.g. China)

Key Questions

What are the main causes of globalisation? What is the role of comparative advantage theory in specialisation and trade? How has the growth in trading blocs affected the pattern of trade? What are the likely effects of a declining terms of trade? What are the benefits of joining a trading bloc? What are the economic effects of the rise on protectionism? What are the likely causes of a current account deficit? What are the economic effects of a currency depreciations? What are the policies a government could use to increase its international competitiveness?

Term 4

Content

4.2 Poverty and inequality

Absolute and relative poverty • Inequality Key case study countries: UK and Zambia (as well as exam case studies explored in class)

Key Questions

How do we distinguish between absolute and relative poverty? How do the Gini coefficient and the Lorenz Curve illustrate inequality? To what extent is inequality an essential ingredient of capitalism? What policies can be used to tackle inequality?

Term 5

Content

4.3 Emerging and developing economies

Measures of development • Factors influencing growth and development • Strategies for growth and development Key case study country: Zambia (as well as exam case studies explored in class)

Key Questions

What are the strengths and limitations of using GDP and HDI to measure development? What are the key factors that can limit economic development? How does primary product dependency limit growth and development? How effective are debt cancellation and trade liberalisation in promoting growth and development? What policies can a government use to drive growth and development? How are growth and development different from one another?