

**Overview:**

The Year 12 course introduces students to both micro and macro economics within the two units 'The Operation of Markets and Market Failure' and 'The National Economy in a Global Context'. Lessons are split between two teachers who will teach one unit each. As core economic skills quantitative skills are taught throughout the course and a focus on tier 3 language is maintained. The curriculum aims to give students a comprehensive understanding of the operation of markets and the economy and to enable students to gain an overview of the challenges faced by economies worldwide and a variety of approaches used to address them. They will be able to critically appraise such approaches and select appropriate interventions to a variety of contexts.

**Careers in the Curriculum:**

The topics covered will highlight links to careers in public policy in both local and national government, banking, finance, accounting, regulation of industries, insurance, data analysis, politics and in education/academia.

| Term | Topic  | Assessment   |
|------|--|--|
| Aut1 | <p><b>The Operation of Markets and Market Failure</b> - Economics as a social science, positive and normative statements, the economic problem, production possibility curves, demand, demand elasticities.</p> <p><b>The National Economy in a Global Context</b> - Macroeconomic indicators, index numbers and percentages, the circular flow of income, aggregate demand, aggregate supply and macroeconomic equilibrium.</p>                   | Baseline assessment<br>Knowledge tests<br>Tier 3 language assessments<br>Baseline quantitative skills assessment |
| Aut2 | <p><b>The Operation of Markets and Market Failure</b> - Supply and elasticity of supply, equilibrium price and output, markets, supply and demand diagrams, extension and contraction of demand and supply.</p> <p><b>The National Economy in a Global Context</b> - the determinants of aggregate demand, short run and long run aggregate supply, economic growth, inflation, employment and unemployment, the balance of payments and trade</p> | Knowledge tests<br>Tier 3 language assessments   |
| Spr1 | <p><b>The Operation of Markets and Market Failure</b> - production and productivity, specialisation, division and exchange, diminishing marginal returns, costs of production, economies and diseconomies of scale, market structures.</p> <p><b>The National Economy in a Global Context</b> - conflict between macroeconomic objectives, fiscal policy, Keynesian and classical economics, monetary policy</p>                                   | AH Assessments<br>Knowledge tests<br>Tier 3 language assessments   |
| Spr2 | <p><b>The Operation of Markets and Market Failure</b> - the market mechanism, price determination and allocation of resources, market failure, public goods, government intervention.</p> <p><b>The National Economy in a Global Context</b> - supply side economics, interventionist and non interventionist approaches</p>   | Knowledge tests<br>Tier 3 language assessments   |
| Sum1 | <p><b>The Operation of Markets and Market Failure</b> - complete government intervention, government failure.</p> <p><b>The National Economy in a Global Context</b> - the performance of the UK economy and a selection of economies worldwide, economic shocks</p>   | Walking, talking mock<br>Knowledge tests<br>Tier 3 language assessments  |
| Sum2 | <p><b>The Operation of Markets and Market Failure</b> - revision of AS micro</p> <p><b>The National Economy in a Global Context</b> - revision of AS macro</p> <p>Individuals, firms, markets and market failure - Introduction to behavioural economics and summer project</p> <p>The National and International Economy - Introduction to Financial Markets</p>  | PPEs   |



**Overview:**

The Year 13 course build upon the concepts and theories studied in Year 12 and students progress to study 'Individuals, firms, markets and market failure' and then 'The national and international economy'. Students focus on the application of concepts to real world example to a greater degree this year and will use this knowledge to evaluate approaches to economic policy with a greater focus on behavioural economics. Diagrammatic analysis of market structures is learned and students will gain a knowledge of the particular issues relating to labour markets. Students also gain an insight into financial markets and their impact on macroeconomic stability and develop their understanding of international issues relating to trade and development.

**Careers in the Curriculum:**

The topics covered will highlight links to careers in public policy in both local and national government, retail and investment banking, finance careers such as those in accounting and insurance, regulation of industries, data analysis, trades unions, public sector organisations, politics and in education/academia.

| Term        | Topic  | Assessment   |
|-------------|--|--|
| <b>Aut1</b> | <p><b>Individuals, firms, markets and market failure</b><br/>                     Individual economic decision making - consumer behaviour, imperfect information, aspects of behavioural economic theory &amp; behavioural economics and economic policy.<br/>                     Production, costs and revenue - specialisation, division and exchange, the law of diminishing returns and returns to scale, costs of production, economies and diseconomies of scale, marginal, average and total revenue, profit and technological change.<br/>                     Perfect competition, imperfectly competitive markets and monopoly - market structures, the objectives of firms, perfect competition, monopolistic competition, oligopoly, monopoly, price discrimination.</p> | Knowledge tests<br>Tier 3 language assessments                                   |
| <b>Aut2</b> | <p><b>Individuals, firms, markets and market failure</b><br/>                     Perfect competition, imperfectly competitive markets and monopoly - competition, contestable market theory, resource allocation, efficiency, consumer and producer surplus, regulation and deregulation<br/>                     The Labour Market - demand for labour, marginal productivity theory, labour supply, wage determination, trades unions, discrimination in labour markets.<br/>                     Poverty and Inequality - problems of poverty and government approaches to alleviating poverty<br/>                     Externalities - externalities in diagrams</p>  | Paper 1 assessment<br>Knowledge tests<br>Tier 3 language assessments             |
| <b>Spr1</b> | <p><b>The national and international economy</b><br/>                     Developing macro economic theory, The national and international economy, circular flow and AD/AS revisited, economic growth, employment and unemployment, inflation and the Philips curve, the quantity theory of money and Fisher's equation<br/>                     Financial markets and monetary policy, the money, capital and foreign exchange markets, financial assets, commercial and investment banks, central banks and monetary policy and regulation of financial markets</p>   | PPEs<br>Knowledge tests<br>Tier 3 language assessments                           |
| <b>Spr2</b> | <p>Fiscal and supply side policies - canons of taxation, taxation in the UK, the Laffer curve, Keynesian demand side policy, cyclical and structural budget deficits, non-interventionist and interventionist supply side policies<br/> <b>The international economy</b> - globalisation, trade, the balance of payments, exchange rate systems, economic growth and development</p>   | Paper 2 and paper 3 assessment<br>Knowledge tests<br>Tier 3 language assessments |
| <b>Sum1</b> | Revision and preparation for external exams  | External exams begin   |