



The curriculum for this stage of a students' education has been designed to develop a critical approach to economic models and methods of enquiry. Students should appreciate that value judgements play an important role in economic decision making. They should understand the methodology of economics and the role of evidence whilst recognising that economics is a social science and that people's behaviour is not necessarily rational or predictable. It is expected that students will acquire a good knowledge of trends and developments in the economy which have taken place over the past fifteen years and also have an awareness of earlier events where this helps to give recent developments a longer-term perspective

<p><b>HALF TERM 1: PRODUCTION COSTS AND REVENUE</b> <b>STUDENTS MUST KNOW:</b> The difference between fixed and variable costs, marginal, average and total costs and short-run and long-run costs The reasons for the shape of the marginal, average and total cost curves. How factor prices and productivity affect firms' costs of production and their choice of factor inputs The difference between internal and external economies of scale The relationship between economies of scale, diseconomies of scale and the shape of the long-run average cost curve The concept of the minimum efficient scale of production</p> <p><b>HOW THIS WILL BE ASSESSED:</b> Case study questions in lesson, multiple choice questions, end of topic test, external examination in June 2023.</p>	<p><b>HALF TERM 2: COMPETITIVE AND CONCENTRATED MARKETS</b> <b>STUDENTS MUST KNOW:</b> The spectrum of competition ranging from perfect competition at one end of the spectrum to pure monopoly at the other end of the spectrum Factors such as the number of firms, the degree of product differentiation and ease of entry are used to distinguish between different market structures The models that comprise the traditional theory of the firm are based upon the assumption that firms aim to maximize profits The profit-maximizing rule (<math>MC=MR</math>) The reasons for and the consequences of a divorce of ownership from control Firms have a variety of other possible objectives</p> <p><b>HOW THIS WILL BE ASSESSED:</b> Case study questions in lesson, multiple choice questions, end of topic test, external examination in June 2023.</p>	<p><b>HALF TERM 3: LABOUR MARKET AND MARKET FAILURE</b> <b>STUDENTS MUST KNOW:</b> The demand for a factor is derived from the demand for the product The marginal productivity theory of the demand for labour The economists' model of wage determination in a perfectly competitive labour market Role of market forces in determining relative wage rates. The various factors which influence the distribution of income and wealth The difference between equality and equity in relation to the distribution of income and wealth The likely benefits and costs of more equal and more unequal distributions</p> <p><b>HOW THIS WILL BE ASSESSED:</b> Case study questions in lesson, multiple choice questions, end of topic test, external examination in June 2023.</p>
<p><b>HALF TERM 4: INTERNATIONAL ECONOMY</b> <b>STUDENTS MUST KNOW:</b> The causes of globalisation The consequences of globalisation for less-developed and for more-developed countries The model of comparative advantage The distinction between comparative and absolute advantage The model shows that specialisation and trade can increase total output Other economic benefits of trade, such as the ability to exploit economies of scale and increased competition</p> <p><b>HOW THIS WILL BE ASSESSED:</b> Case study questions in lesson, multiple choice questions, end of topic test, external examination in June 2023.</p>	<p><b>HALF TERM 5: EXCHANGE RATE SYSTEMS</b> <b>STUDENTS MUST KNOW:</b> How exchange rates are determined in freely floating exchange rate systems. How governments can intervene to influence the exchange rate. The advantages and disadvantages of fixed and floating exchange rate systems. Advantages and disadvantages for a country of joining a currency union, eg the eurozone</p> <p><b>HOW THIS WILL BE ASSESSED:</b> Case study questions in lesson, multiple choice questions, end of topic test, external examination in June 2023.</p>	<p><b>HALF TERM 6: REVISION OF MICRO AND MACROECONOMICS</b> <b>STUDENTS MUST KNOW:</b> The central purpose of economic activity is the production of goods and services to satisfy needs and wants The advantages and disadvantages of the price mechanism The difference between complete market failure (resulting in a missing market) and partial market failure (where a market exists but contributes to resource misallocation) The main objectives of government macroeconomic policy: economic growth, price stability, minimising unemployment and a stable balance of payments on current account The possibility of conflict arising, at least in the short run, when attempting to achieve these objectives</p> <p><b>HOW THIS WILL BE ASSESSED:</b> Case study questions in lesson, multiple choice questions, end of topic test, mock exam and external examination in June 2023.</p>

Embedding this knowledge can be supported at home by having an interest in current affairs and developments in the UK economy. This can be developed by reading news websites ([www.bbc.co.uk](http://www.bbc.co.uk), [www.guardian.co.uk](http://www.guardian.co.uk), [www.thetimes.co.uk](http://www.thetimes.co.uk)) or watching current affairs programmes such as Newsnight and Question Time. An appreciation of the usefulness of economic theory can be developed by watching videos on Economics YouTube channels such as Economics Explained, EconplusDal and Jacob Clifford. The specifications for examinations units can be found on Sharepoint or from the AQA web site (<https://www.aqa.org.uk/subjects/economics/as-and-a-level/economics-7135-7136>).