



**Course
Overview
(Y12)**

Students will be introduced to a variety of core Economics concepts across Y12 and 13 to help them understand the ways that scarcity affects all aspects of life and how resources can be allocated given the 'unlimited' wants for them. Key concepts they will cover in Y12 include:

- 1.1 – **The Nature of Economics** – including the difference between positive and normative judgements, scarcity and the basic economic problem
- 1.2 – **How Markets Work** – including the interaction of supply (willingness to provide) and demand (willingness to pay), consumer and producer welfare, taxes and subsidies
- 1.3 – **Market Failure** – including why free markets may not be the 'best' solution to the economic problem
- 1.4 – **Government intervention** – focusing on ways that governments can cause change in markets to affect production and consumption decisions.

On the Macroeconomics side:

- 2.1 – **Measures of Economic performance** – including the core 'Macro objectives' of economic growth, low unemployment, price stability, balance of payments
- 2.2 – **Aggregate Demand** – focusing on where demand comes from in the economy and what factors can affect total demand
- 2.3 – **Aggregate Supply** – focusing on total supply in the short and long-run, including the Classical and Keynesian views
- 2.4 – **National Income** – understanding the circular flow of income, injections and withdrawals and the multiplier
- 2.5 – **Economic Growth** – Understanding causes of economic growth, output gaps, the business cycle and impacts of growth
- 2.6 – **Macroeconomic objectives and policies** – understanding how the government might use demand and supply side policies when the macro objectives are not being met.

There will be 2 mock exams in Y12 (one in November and one in June). The paper in June should cover all of Theme 1 and 2.

In Y13, students will study themes 3 (Micro) and theme 4 (Macro):

- 3.1 – **Business Growth** – understanding why some firms grow and why some stay small as well as how firms might grow or downsize
- 3.2 – **Business Objectives** – focusing on the assumption that firms are profit maximisers, but then looking at the different objectives that they may have, such as revenue and sales maximisation, CSR and satisficing
- 3.3 – **Cost, Revenue and Profit** – Understanding the concepts of revenue, short and long-run costs and profit/loss, using explanations, formulae and diagrams.
- 3.4 – **Market structures** – Studying the different levels of competition in different markets, from the highly theoretical perfect competition to the other extreme of monopoly as well as monopsony markets and what makes markets contestable.
- 3.5 – **Labour market** – introducing the idea of factor markets, derived demand and the factors that affect firms' willingness to hire and households' willingness to supply labour, and how these factors interact to determine wages. We also

focus on key labour market issues, such as North/South divide, Minimum Wage etc...

- 3.6 – **Government intervention** – focusing on how governments and regulators will intervene in different market structures to promote the best outcomes for consumers, protect workers and suppliers to avoid exploitation.

On the Macro side:

- 4.1 – **International Economics** – studying how different economies interact through globalisation, the concept of comparative advantage, free trade and protectionism, exchange rates and the balance of payments
- 4.2 – **Poverty and Inequality** – focusing on types of poverty and types of inequality
- 4.3 – **Emerging and developing economies** – studying on the measures of development and the factors that affect the rate of growth and development
- 4.4 – **The Financial Sector** – understanding the role of financial markets, financial market failure and the vital role of the central bank in an economy.
- 4.5 – **Role of the state in the macroeconomy** – Understanding the concept of public expenditure, taxation, public sector finances and how macro policies affect the global context.

There will also be two mocks in Y13 too (one in November and one in March)

Homework in Y12 include additional reading provided by staff, pre-reading for future topics, practice questions and past paper practice once content is finished. In Y13, there is also additional reading, pre-reading and weekly past paper practice

Exams:

3 Exams at the end of Y13

Paper 1 – Markets and Business Behaviour (100 marks)

Paper 2 – The National Economy (100 marks)

Paper 3 – Microeconomics and Macroeconomics (100 marks)

<https://www.tutor2u.net/economics> - Tutor2u - great for revision videos and exam practice

<https://www.economicshelp.org/> - covers all topics with clear explanations

<https://www.youtube.com/c/EconplusDal1> - Econplusdal is THE GO-TO for revision in A-Level Economics

<https://www.bbc.co.uk/news/business> - BBC Business News – Vital for real world application

<https://www.economist.com/> - The Economist – so many useful articles – Edexcel often modify their articles for exam case studies!

Useful websites

**Essential text
books and
reading list**

Edexcel Theme 1 – 4 revision guides – available from Amazon

Econplusdal's Micro and Macro Application, Analysis and Evaluation Pack

Principles of Economics – N. Gregory Mankiw (Harvard Professor)

Basic Economics – Thomas Sowell