



# Curriculum Map

Subject: Economics: Theme 1

Year group: 12

Time period	Autumn 1 September – October 8 weeks	Autumn 2 November – December 7 weeks	Spring 1 Jan – Feb 6 weeks	Spring 2 Feb – April 6 weeks	Summer 1 April – May 6 weeks	Summer 2 June – July 7 weeks
<p><b>Content</b></p> <p><i>Declarative Knowledge – ‘Know What’</i></p>	<p><b>1.1.1 Economics as a social science</b></p> <p>a) Thinking like an economist: the process of developing models in economics, including the need to make assumptions</p> <p>b) The use of the ceteris paribus assumption in building models</p> <p>c) The inability in economics to make scientific experiments</p> <p><b>1.1.2 Positive and normative economic statements</b></p> <p>a) Distinction between positive and normative economic statements</p> <p>b) The role of value judgements in influencing economic decision making and policy</p> <p><b>1.1.3 The economic problem</b></p> <p>a) The problem of scarcity – where there are unlimited wants and finite resources</p> <p>b) The distinction between renewable and non-renewable resources</p> <p>c) The importance of opportunity costs to economic agents (consumers, producers and government)</p> <p><b>1.1.4 Production possibility frontiers</b></p>	<p><b>1.2.1 Rational decision making</b></p> <p>a) The underlying assumptions of rational economic decision making: consumers aim to maximise utility, firms aim to maximise profits</p> <p><b>1.2.2 Demand</b></p> <p>a) The distinction between movements along a demand curve and shifts of a demand curve</p> <p>b) The factors that may cause a shift in the demand curve</p> <p>c) The concept of diminishing marginal utility and how this influences the shape of the demand curve</p> <p><b>1.2.4 Supply</b></p> <p>a) The distinction between movements along a supply curve and shifts of a supply curve</p> <p>b) The factors that may cause a shift in the supply curve</p> <p><b>1.2.6 Price determination</b></p> <p>a) Equilibrium price and quantity and how they are determined</p> <p>b) The use of supply and demand diagrams to depict excess supply and excess demand</p>	<p><b>1.2.7 Price mechanism</b></p> <p>a) Functions of the price mechanism to allocate resources: rationing, incentive, signalling</p> <p>b) The price mechanism in the context of different types of markets, including local, national and global markets</p> <p><b>1.2.9 Indirect taxes and subsidies</b></p> <p>a) Supply and demand analysis, elasticities, and: -the impact of indirect taxes on consumers, producers and government</p> <p>-the incidence of indirect taxes on consumers and producers</p> <p>e) The significance of elasticities of demand to firms and government in terms of the imposition of indirect taxes</p> <p><b>1.2.9 Indirect taxes and subsidies</b></p> <p>a) Supply and demand analysis, elasticities, and the impact of subsidies on consumers, producers and government</p> <p>- the area that represents the producer subsidy and consumer subsidy</p> <p>e) The significance of elasticities of demand to firms and government in</p>	<p><b>1.3.2 Externalities</b></p> <p>a) Distinction between private costs, external costs and social costs</p> <p>b) Distinction between private benefits, external benefits and social benefits</p> <p>c) Use of a diagram to illustrate: the external costs of production using marginal analysis; the distinction between market equilibrium and social optimum position</p> <p>identification of welfare loss area</p> <p>d) Use of a diagram to illustrate: the external benefits of consumption using marginal analysis</p> <p>the distinction between market equilibrium and social optimum position</p> <p>identification of welfare gain area</p> <p>e) The impact on economic agents of externalities and government intervention in various markets</p> <p><b>1.4.1 Government intervention in markets</b></p> <p>a) Purpose of intervention with reference to market failure and using diagrams in various contexts: indirect taxation (ad valorem and specific) subsidies</p>	<p>Practice exam-style questions from Theme 1 content</p> <p>Use AS Paper 1 for practice</p> <p>Revise for Trial exams</p> <p>Review and feedback on trial exams</p>	<p><b>Theme 3:</b></p> <p><b>3.1.1 Sizes and types of firms</b></p> <p>a) Reasons why some firms tend to remain small and why others grow</p> <p>b) Significance of the divorce of ownership from control: the principal-agent problem</p> <p>c) Distinction between public and private sector organisations</p> <p>d) Distinction between profit and not-for-profit organisations</p> <p><b>3.1.2 Business growth</b></p> <p>a) How businesses grow: organic growth</p> <p>forward and backward vertical integration</p> <p>horizontal integration</p> <p>conglomerate integration</p> <p>b) Advantages and disadvantages of: organic growth</p> <p>vertical integration</p> <p>horizontal integration</p> <p>conglomerate integration</p> <p>c) Constraints on business growth: size of the market</p> <p>access to finance</p> <p>owner objectives</p> <p>regulation</p>



# Curriculum Map

	<p>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</p> <p>b) The distinction between movements along and shifts in production possibility curves, considering the possible causes for such changes</p> <p>c) The distinction between capital and consumer goods</p> <p><b>1.1.5 Specialisation and the division of labour</b></p> <p>a) Specialisation and the division of labour: reference to Adam Smith</p> <p>b) The advantages and disadvantages of specialisation and the division of labour in organising production</p> <p>c) The advantages and disadvantages of specialising in the production of goods and services to trade</p> <p>d) The functions of money (as a medium of exchange, a measure of value, a store of value, a method of deferred payment)</p> <p><b>1.1.6 Free market economies, mixed economy and command economy</b></p> <p>a) The distinction between free market, mixed and</p>	<p>c) The operation of market forces to eliminate excess demand and excess supply</p> <p><b>1.2.5 Elasticity of supply</b></p> <p>a) Understanding of price elasticity of supply</p> <p>b) Use formula to calculate price elasticity of supply</p> <p>c) Interpret numerical values of price elasticity of supply: perfectly and relatively elastic, and perfectly and relatively inelastic</p> <p>d) Factors that influence price elasticity of supply</p> <p>e) The distinction between short run and long run in economics and its significance for elasticity of supply</p> <p><b>1.2.3 Price, income and cross elasticities of demand</b></p> <p>a) Understanding of price, elasticities of demand</p> <p>b) Use formulae to calculate price elasticities of demand.</p> <p>c) Interpret numerical values of price elasticity of demand: unitary elastic, perfectly and relatively elastic, and perfectly and relatively inelastic</p> <p>d) The factors influencing elasticities of demand</p> <p>e) The significance of elasticities of demand to firms and government</p> <p>f) The relationship between price elasticity of demand and total revenue (including calculation)</p> <p><b>1.2.3 income and cross elasticities of demand</b></p>	<p>terms of the imposition of subsidies</p> <p><b>1.2.10 Alternative views of consumer behaviour</b></p> <p>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</p> <p><b>1.3.1 Types of market failure</b></p> <p>a) Understanding of market failure</p> <p>b) Types of market failure externalities; under-provision of public goods; information gaps</p> <p><b>1.3.3 Public goods</b></p> <p>a) Distinction between public and private goods using the concepts of non-rivalry and non-excludability</p> <p>b) Why public goods may not be provided by the private sector: the free rider problem</p> <p><b>1.3.4 Information gaps</b></p> <p>a) The distinction between symmetric and asymmetric information</p> <p>b) How imperfect market information may lead to a misallocation of resources</p>	<p><b>1.4.1 Government intervention in markets</b></p> <p>a) Purpose of intervention with reference to market failure and using diagrams in various contexts: maximum and minimum prices</p> <p><b>1.4.1 Government intervention in markets</b></p> <p>b) Other methods of government intervention: trade pollution permits  state provision of public goods; provision of information; regulation</p> <p><b>1.4.2 Government failure</b></p> <p>a) Understanding of government failure as intervention that results in a net welfare loss</p> <p>b) Causes of government failure: distortion of price signals; unintended consequences; excessive administrative costs; information gaps</p> <p>c) Government failure in various markets</p>		<p><b>3.3.3 Economies and diseconomies of scale</b></p> <p>a) Types of economies and diseconomies of scale</p> <p>b) Minimum efficient scale</p> <p>c) Distinction between internal and external economies of scale</p> <p><b>3.1.3 Demergers</b></p> <p>a) Reasons for demergers</p> <p>b) Impact of demergers on businesses, workers and consumers</p> <p><b>3.3.1 Revenue</b></p> <p>a) Formulae to calculate and understand the relationship between: total revenue, average revenue, marginal revenue</p> <p>b) Price elasticity of demand and its relationship to revenue concepts (calculation required)</p> <p><b>3.3.2 Costs</b></p> <p>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</p> <p>b) Derivation of short-run cost curves from the assumption of diminishing marginal productivity</p> <p>c) Relationship between short-run and long-run average cost curves</p>
--	--	---	---	---	--	---



# Curriculum Map

	<p>command economies: reference to Adam Smith, Friedrich Hayek and Karl Marx</p> <p>b) The advantages and disadvantages of a free market economy and a command economy</p> <p>c) The role of the state in a mixed economy</p>	<p>a) Understanding of, income and cross elasticities of demand</p> <p>b) Use formulae to calculate income and cross elasticities of demand.</p> <p>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</p> <p>d) The factors influencing elasticities of demand</p> <p>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</p> <p><b>1.2.6 Price determination</b></p> <p>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</p> <p><b>1.2.8 Consumer and producer surplus</b></p>				<p><b>3.3.4 Normal profits, supernormal profits and losses</b></p> <p>a) Condition for profit maximisation</p> <p>b) Normal profit, supernormal profit and losses diagrammatic analysis</p>
--	---	---	--	--	--	---



# Curriculum Map

		<p>a) The distinction between consumer and producer surplus</p> <p>b) The use of supply and demand diagrams to illustrate consumer and producer surplus</p> <p>c) How changes in supply and demand might affect consumer and producer surplus</p>				
<p><b>Skills</b></p> <p><i>Procedural Knowledge – 'Know How'</i></p>	<ul style="list-style-type: none"> <li>• <b>Be able to perform percentage calculations, draw graphs, interpret numerical information</b>, for example: Calculations of PED/XED/PES/YED; drawing, adjusting and interpreting D and S diagrams</li> <li>• Use <b>diagrammatic analysis</b> to explore changes in markets eg draw demand and supply diagrams; externality diagrams</li> <li>• Apply their <b>economic skills and knowledge</b> in a variety of situations</li> <li>• <b>Know how to answer exam questions</b>, 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</li> <li>• Know how to plan and produce an extended piece of writing in answer to a question. This will involve the following: <ul style="list-style-type: none"> <li>▪ Know the assessment objectives and how they relate to different style questions</li> <li>▪ Know how to <b>develop chains of analysis</b></li> <li>▪ Be able to make points as <b>counterbalances</b></li> <li>▪ <b>Apply</b> knowledge to case studies and real world examples</li> <li>▪ <b>Evaluating</b> and drawing conclusions</li> </ul> </li> <li>• Know how to <b>communicate their economic knowledge of concepts and theories</b> and wider reading, in a range of contexts: PowerPoint presentations, reports, essays, group discussions and debates</li> </ul>					
<p><b>Key Questions</b></p>	<p>What is a social science?</p> <p>What is ceteris paribus and why does it matter?</p> <p>What is a value judgement?</p> <p>What is the basic economic problem?</p> <p>What is opportunity cost and why does it matter?</p> <p>What are non renewable resources?</p> <p>What does a PPF show?</p> <p><b>Extension: How do different economic systems (UK, North Korea, USA,) allocate resources?</b></p>	<p>What is Demand? Supply?</p> <p>What factors cause a shift in D? S?</p> <p>What is an equilibrium price?</p> <p>What is excess S/D?</p> <p>How does excess S/D affect market equilibriums?</p> <p>What is PED/PES/XED/YED?</p> <p>Why is elasticity important?</p> <p>What factors affect PED/PES?</p> <p>IS PED for bottled water elastic or inelastic?</p> <p>If price rises what happens to revenue of PED is elastic? Inelastic?</p>	<p>What is allocative efficiency? Why does it matter?</p> <p>How does the price mechanism allocate resources?</p> <p>What is the difference between a unit and ad valorem tax?</p> <p>What is a subsidy? What are the pros and cons of subsidising products such as public transport or renewable energy?</p> <p>Why don't consumers always act rationally?</p> <p>Give examples of public goods</p>	<p>What is the social optimum? Free market outcome?</p> <p>Give examples of externalities in the provision of education and training / green energy/ fracking/ flood defences</p> <p>What examples of market failure can we find in the Housing Market?</p> <p>How do Governments correct market Failure?</p> <p>How does Minimum prices in Scotland correct market failure?</p>	<p>How do you structure short answers/MCQs/10/12/15/25 mark questions?</p>	<p>Why do some firms remain small?</p> <p>What are the motives for business growth</p> <p>What is the public/ private/ voluntary sector</p> <p>Give examples of businesses in each sector</p> <p>Why do some organisations transfer form private to public sector (or vv)?</p>



# Curriculum Map

<p>How can a PPF be used to show Opp cost?          Why does PPF slope outwards?          What are capital/consumer goods?          What is the significance of a PPF for an economist?          Why does the PPF bow outwards?          What is specialisation?          How does specialisation benefit countries?          Individuals?          Why is money necessary for specialisation to occur?          What are the benefits and problems of the division of labour, for workers and firms?</p> <p><b>Extension:</b>  <b>Why does specialisation and international trade generate global growth? Are there any issues with increasing internatio</b> For whom are goods made in a planned economy?          What are the advantages and disadvantages of the free market?          Are any economies completely free/ command?          Why is the UK a mixed economy</p>	<p>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?</p>	<p>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</p>	<p>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</p>			<p>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?          What is the relationship between MR and AR and TR in a PC and an Imp C market?          What is MP?          Why does MP/AP rise and then fall?          What are diminishing returns? Why do they arise?</p>
---	--	--	---	--	--	--



# Curriculum Map

	<p><b>Extension: Is a market system always more efficient at allocating resources? Why?</b></p> <p><b>nal trade?</b></p> <p>What is a rational consumer?</p> <p>What is diminishing marginal utility?</p> <p>Why does a demand curve shift downwards</p> <p>Distinguish between a shift in the demand curve and an extension/contraction in Demand</p> <p>Can you link diminishing marginal utility to the demand curve?</p>					<p>Distinguish between FC and VC</p> <p>Distinguish between SR and LR</p> <p>How does Diminishing returns explain and upward sloping MC ?</p> <p>Why does MC move when VC changes?</p> <p>Why doesn't MC shift when FC changes?</p> <p>What is an enveloping cost curve?</p> <p>Why is LRAC usually a u-shape?</p> <p>Why can LRAC be more L shaped? Give examples of industries this might apply to</p> <p>What is a natural monopoly?</p> <p>What is productive efficiency? Where is it on a cost and rev diagram?</p> <p>How is profit calculated?</p> <p>What is normal profit?</p> <p>How does the economist's view of profit differ from that of an accountant?</p>
<p><b>Assessment</b></p>	<ul style="list-style-type: none"> <li>• End of topic assessments: A series of MCQs and short answer questions and extended writing (10/12 marks) based on case study information</li> <li>• 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, when set as HBL.</li> <li>• Quizziz used to test knowledge</li> <li>• After Christmas 20 mark questions are introduced and used in HBL and in class assessment activities</li> </ul>					
<p><b>Literacy/Numeracy/SMSC/Character</b></p>	<p><b>Literacy</b> is developed through the range of writing tasks students complete throughout the course.</p> <p>Wider reading and <b>research skills</b> are encouraged, using posts on google classroom, case studies used in class and hbl research tasks, as well as directing students to the super curriculum</p> <p>The concepts covered require the development of a range of <b>numeracy skills</b>: % changes; elasticities; interpretation of graphs; index numbers</p> <p><b>SMSC</b> will be relevant when looking at the ethical impacts of consumer and producer behaviour, social motives for business v profits; the role of Government; policies to promote free markets v intervention; whether businesses and markets should be regulated; information gaps and externalities</p> <p><b>Character programme</b>: Group work and presentations encourage initiative and independence in work. All lessons are pitched to be aspirational with high expectations of students learning and outcomes.</p>					