



Curriculum Map

Subject: Economics – Macro

Year group: 12

Time period	Autumn 1	Autumn 2	Spring 1	Spring 2	Summer 1	Summer 2
<p>Content</p> <p><i>Declarative Knowledge – ‘Know What’</i></p>	<p>2.1.1 Economic growth</p> <p>a) Rates of change of real Gross Domestic Product (GDP) as a measure of economic growth</p> <p>b) Distinction between: real and nominal; total and per capita; value and volume</p> <p>c) Other national income measures: Gross National Income (GNI)</p> <p>d) Comparison of rates of growth between countries and over time</p> <p>e) Understanding of Purchasing Power Parities (PPPs) and the use of PPP-adjusted figures in international comparisons</p> <p>f) The limitations of using GDP to compare living standards between countries and over time</p> <p>g) National happiness: UK national wellbeing; The relationship between real incomes and subjective happiness</p> <p>2.5.3 Trade (business) Cycle</p> <p>a) Understanding of the trade (business) cycle</p> <p>b) Characteristics of a boom</p> <p>c) Characteristics of a recession</p>	<p>2.3.1 The characteristics of AS</p> <p>a) The AS curve</p> <p>b) The distinction between movement along, and a shift of, the AS curve</p> <p>c) The relationship between short-run AS and long-run AS</p> <p>2.3.2 Short-run AS</p> <p>a) Factors influencing short-run AS:</p> <ul style="list-style-type: none"> o changes in costs of raw materials and energy o changes in exchange rates o changes in tax rates <p>2.3.3 Long-run AS</p> <p>a) Different shapes of the long-run AS curve: Keynesian; classical</p> <p>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</p> <p>2.1.2 Inflation</p> <p>a) Understanding of: inflation; deflation; disinflation</p>	<p>2.1.4 Balance of Payments</p> <p>a) Components of the balance of payments, with particular reference to the current account, and the balance of trade in goods and services</p> <p>b) Current account deficits and surpluses</p> <p>c) The relationship between current account imbalances and other macroeconomic objectives</p> <p>d) The interconnectedness of economies through international trade</p> <p>2.4.1 National income</p> <p>a) The circular flow of income</p> <p>b) The distinction between income and wealth</p> <p>2.4.2 Injections and Withdrawals</p> <p>a) The impact of injections into, and withdrawals from, the circular flow of income</p> <p>2.4.3 Equilibrium levels of real national output</p> <p>a) The concept of equilibrium real national output</p>	<p>2.5.1 Causes of growth</p> <p>a) Factors which could cause economic growth</p> <p>b) The distinction between actual and potential growth</p> <p>c) The importance of international trade for economic growth</p> <p>2.5.2 Output gaps</p> <p>a) Distinction between actual growth rates and long-term trends in growth rates</p> <p>b) Understanding of positive and negative output gaps and the difficulties of measurement</p> <p>c) Use of an AD/AS diagram to illustrate an output gap (level of spare capacity) in an economy</p> <p>2.5.3 Trade (business) Cycle</p> <p>a) Understanding of the trade (business) cycle</p> <p>b) Characteristics of a boom</p> <p>c) Characteristics of a recession</p> <p>2.5.4 The impact of economic growth</p> <p>a) The benefits and costs of economic growth and the impact on:</p>	<p>2.6.3 Supply-side policies</p> <p>a) Distinction between market-based and interventionist methods</p> <p>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</p> <p>c) Use of AD/AS diagrams to illustrate supply-side policies</p> <p>d) Strengths and weaknesses of supply-side policies</p> <p>2.6.4 Conflicts and trade offs between objectives and policies</p> <p>a) Potential conflicts and trade-offs between the macroeconomic objectives</p> <p>b) Short-run Phillips curve</p> <p>c) Potential policy conflicts and trade-offs</p> <p>Consolidation of all topics and exam technique</p>	<p>Revision of Theme 2</p> <p>Trial Exams</p> <p>Review of Trial exam and introduction to Theme 4 – globalisation and international trade</p>



Curriculum Map

	<p>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</p> <p>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</p> <p>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</p> <p>2.2.4 Government expenditure (G)</p>	<p>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</p> <p>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</p>	<p>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</p> <p>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</p>	<p>o consumers; firms; the government; current and future living standards</p> <p>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</p> <p>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</p>		
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Curriculum Map

	<p>a) The main influences on government expenditure:</p> <ul style="list-style-type: none"> o the trade cycle o fiscal policy <p>2.2.5 Net trade (X-M)</p> <p>a) The main influences on the (net) trade balance:</p> <ul style="list-style-type: none"> o real income o exchange rates o state of the world economy o degree of protectionism o non-price factors 	<p>e) The significance of migration and skills for employment and unemployment</p> <p>f) The effects of unemployment on consumers, firms, workers, the government and society</p>		<p>f) Use of AD/AS diagrams to illustrate demand-side policies</p> <p>g) The role of the Bank of England:</p> <ul style="list-style-type: none"> 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 		
<p>Skills</p> <p><i>Procedural Knowledge – 'Know How'</i></p>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ▪ 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 <p>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</p>					
<p>Key Questions</p>	<p>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?</p>	<p>What is meant by Aggregate Supply? How does general price level influence levels of AS? Can AS increase indefinitely? Why not?</p>	<p>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?</p>	<p>Explain the difference between short run economic growth and long run economic growth.</p>	<p>What causes an increase in AS? How can market forces result in higher AS? How can the government intervene?</p>	



Curriculum Map

	<p>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? How can interest rates influence levels of investment? What else influences investment? How does the Government generate income?</p>	<p>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?</p>	<p>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?</p>	<p>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?</p>	<p>Why do Government policies cause trade offs? What is the Philips Curve?</p>	
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Curriculum Map

	<p>What does the government spend money on? How does the government finance spending if tax revenue is not sufficient? How is government income and spending likely to change during a recession/boom period? What is meant by "real" income? How do exchange rates affect imports/exports? What other factors will influence the value of imports/exports?</p>					
<p>Assessment</p>	<ul style="list-style-type: none"> • End of topic 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, when set as HBL. • Quizziz used to test knowledge <p>After Christmas 20/25 mark questions are introduced and used in HBL and in class assessment activities</p>					
<p>Literacy/Numeracy/SMSC/Character</p>	<p>Literacy is developed through the range of writing tasks students complete throughout the course. Wider reading and research skills 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 The concepts covered require the development of a range of numeracy skills: % changes; interpretation of graphs; index numbers SMSC 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 Government objectives; whether businesses and markets should be regulated; issues around equity and equality; understanding that Government policies require trade offs and their appropriateness which are dependent on ones moral compass Character programme: 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>					