



Curriculum Map

Subject: Economics: Theme 3-Business Economics and Labour Markets

Year group: 13

	Autumn 1 Sept- Oct	Autumn 2 Nov - Dec	Spring 1 Jan - Feb	Spring 2 Feb - April	Summer 1 April - May
<p>Content</p> <p><i>Declarative Knowledge – 'Know What'</i></p>	<p>Recap 3.5: Labour Markets and labour market assessment (1 hour per week)</p> <p>3.1.1 Sizes and types of firms a) Reasons why some firms tend to remain small and why others grow b) Significance of the divorce of ownership from control: the principal-agent problem c) Distinction between public and private sector organisations d) Distinction between profit and not-for-profit organisations</p> <p>3.1.2 Business growth a) How businesses grow: organic growth forward and backward vertical integration horizontal integration conglomerate integration b) Advantages and disadvantages of: organic growth vertical integration horizontal integration conglomerate integration c) Constraints on business growth: size of the market access to finance owner objectives regulation</p>	<p>3.4.2 Perfect competition a) Characteristics of perfect competition b) Profit maximising equilibrium in the short run and long run c) Diagrammatic analysis</p> <p>3.4.3 Monopolistic competition a) Characteristics of monopolistically competitive markets b) Profit maximising equilibrium in the short run and long run c) Diagrammatic analysis</p> <p>3.4.4 Oligopoly a) Characteristics of oligopoly: high barriers to entry and exit; high concentration ratio; c) Short-run and long-run shut-down points: interdependence of firms; product differentiation b) Calculation of n-firm concentration ratios and their significance e) Simple game theory: the prisoner's dilemma in a simple two firm/two outcome model c) Reasons for collusive and non-collusive behaviour d) Overt and tacit collusion; cartels and price leadership</p> <p>f) Types of price competition: price wars; predatory pricing; limit pricing g) Types of non-price competition</p>	<p>Trial exams rev and feedback</p> <p>3.4.6 Monopsony a) Characteristics and conditions for a monopsony to operate b) Costs and benefits of a monopsony to firms, consumers, employees and suppliers</p> <p>3.4.7 Contestability a) Characteristics of contestable markets b) Implications of contestable markets for the behaviour of firms c) Types of barrier to entry and exit d) Sunk costs and the degree of contestability</p>	<p>Recap/review exam techniques</p> <p>3.6.1 Government intervention a) Government intervention to control mergers b) Government intervention to control monopolies: price regulation; profit regulation; quality standards; performance targets d) Government intervention to protect suppliers and employees: restrictions on monopsony power of firms; nationalisation</p> <p>3.6.2 The impact of government intervention a) The impact of government intervention on: prices; profit; efficiency; quality; choice b) Limits to government intervention: regulatory capture asymmetric information c) Government intervention to promote competition and contestability: enhancing competition between firms through promotion of small business; deregulation; competitive tendering for government contracts; privatisation</p> <p>Revisit 3.5: Labour Markets</p> <p>Paper 1 Mock Exam in lesson time</p>	<p>Synoptic paper 3 – preparation/ exam technique Synoptic essay practice questions</p> <p>Revision, focusing on: Paper 1: Microeconomics Paper 3: Synoptic paper – macro and micro economics</p>



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	<p>3.3.3 Economies and diseconomies of scale a) Types of economies and diseconomies of scale b) Minimum efficient scale c) Distinction between internal and external economies of scale</p> <p>3.1.3 Demergers a) Reasons for demergers b) Impact of demergers on businesses, workers and consumers</p> <p>3.3.1 Revenue a) Formulae to calculate and understand the relationship between: total revenue, average revenue, marginal revenue b) Price elasticity of demand and its relationship to revenue concepts (calculation required)</p> <p>3.3.2 Costs 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 b) Derivation of short-run cost curves from the assumption of diminishing marginal productivity c) Relationship between short-run and long-run average cost curves</p>	<p>3.4.5 Monopoly a) Characteristics of monopoly b) Profit maximising equilibrium c) Diagrammatic analysis 3.4.1 Efficiency c) Dynamic efficiency d) X-inefficiency 3.4.5 Monopoly d) Third degree price discrimination: necessary conditions; diagrammatic analysis; costs and benefits to consumers and producers e) Costs and benefits of monopoly to firms, consumers, employees and suppliers f) Natural monopoly 3.4.1 Efficiency a) Allocative efficiency b) Productive efficiency 3.2 Objectives a) Profit satisficing b) Profit maximising c) Revenue maximising d) Sales Maximising Synoptic paper 3 – preparation/ exam technique Synoptic essay practice questions (1 hour per week)</p>			
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	<p>3.3.4 Normal profits, supernormal profits and losses</p> <p>a) Condition for profit maximisation b) Normal profit, supernormal profit and losses diagrammatic analysis introduction to market structures: high barriers to entry and exit; high concentration ratio;</p> <p>Synoptic paper 3 – preparation/ exam technique</p>				
<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: Calculations of PED/XED/PES/YED; drawing, adjusting and interpreting D and S diagrams; Cost and revenue diagrams; calculating TC/FC/VC; calculating percentage changes and ratios ● Use diagrammatic analysis to explore changes in markets eg draw labour demand and supply diagrams; externality diagrams; cost and revenue diagrams ● Apply their economic skills and knowledge in a variety of situations ● Know how to answer exam questions, MCQs short answers, 8, 10, 12, 15, 25 mark questions. These skills will be developed from Y12 ● 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 are the costs and benefits of business growth? Distinguish between the long run and short run Why is LRAC usually a u- shape? Why can LRAC be more L shaped? Give examples of industries this might apply to What is a natural monopoly?</p>	<p>How does the theory of Perfect competition fit in with the theory of D and S? Whys are perfect markets allocatively and productively efficient? Can you give examples of monopolistically competitive markets?</p>	<p>What are the arguments for mergers boosting or reducing efficiency? How are consumers affected by M and A? Why do businesses have different objectives? What kinds of businesses have satisficing objectives?</p>	<p>Why is the individual S curve for labour backward bending? Why does the industry S curve for labour slope upwards? What causes shifts in S for labour? Why will the S for labour be inelastic/elastic?</p>	



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	<p>What is productive, allocative efficiency? Where is it on a cost and rev diagram? How does the economist's view of profit differ from that of an accountant? Why does the shutdown point differ in SR compared to the LR? What are normal profits and Supernormal profits?</p> <p>What are barriers to entry and exit? Why are some firms interdependent? How and why do firm's create product differentiation?</p>	<p>What is the KDC? How does interdependence affect the behaviour of firms in an oligopoly? Why do oligopolists earn SNP in SR and LR How do oligopolistic markets affect consumers and workers? What is collusion? What are the conditions for effective collusion to occur? Does collusion benefit consumers? Who benefits from price wars? Why do oligopolistic firms not always produce at profit max point? What is a legal / pure monopoly? What are Allocative, productive, dynamic efficiency and x-inefficiency? Why can price discrimination only occur when firms have monopoly power? What are the benefits and costs of price discrimination for consumers? Firms? Explain why monopoly tends to lead to inefficiency How do monopsonies impact consumers? Suppliers? How does the contestability of a market affect a firm's behaviour? How does contestability change the way we think about the neoclassical theory of the firm?</p>	<p>Demonstrate P max/Rev max/sales max on a diag Give examples of businesses which would have each kind of objectives Why and how do governments intervene in markets? How can Governments promote competition? Whys does regulation sometimes fail? Does nationalisation / privatisation make markets work better? Why would Government wish to promote contestability? How can it promote more contestability? Why does the D curve for labour slope downwards? What causes shifts in D for labour? Why will the D for labour be inelastic/elastic? What is a derived demand?</p>	<p>How does the S curve for labour differ in a competitive and uncompetitive market? Why do wage rates differ between industries? What is geographical and occupational immobility of labour? Distinguish between perfectly competitive and imperfectly competitive labour markets How do unions affect labour markets? What is a monopsony buyer of labour? How does this affect wages and employment levels What is a bilateral monopoly? How do the following affect wage determination: Gender? Ethnicity? Age? Unionisation? What is the gig economy? Why do wages differ across regions of UK? How has immigration affected labour markets? Whys does training be considered a market failure How do maximum and minimum wages work?</p> <p>What is public sector wage setting? How can the Government reduce geographical and occupational immobility of lab?</p>	
Assessment	<ul style="list-style-type: none"> Assessment on growth of firms and Costs and revenues End of topic assessments: A series of MCQs and short answer questions and extended writing (10/12 marks) based on case study information, used throughout the course Short answer/ MCQ and diagram test used through theory of the firm module 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 				



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	<ul style="list-style-type: none">• More emphasis on 25 mark questions - used in HBL and in class assessment activities• Focus after Christmas on Paper 3 synoptic paper and skills associated with this – eg macro/micro essay skill
Literacy/Numeracy/ SMSC/Character	<p>Literacy is developed through the range of writing tasks students complete throughout the course.</p> <p>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</p> <p>The concepts covered require the development of a range of numeracy skills: % changes; elasticities; interpretation of graphs; index numbers</p> <p>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 free markets v intervention; whether businesses and markets should be regulated; information gaps and externalities</p> <p>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>