

## A Level Economics - Pearson

### Curriculum content

	Year 12	Year 13
Summer 2 (Roll over)		<p><b>Theme 3 Business behaviour and the labour market</b></p> <p><b><u>3.1 Business Growth</u></b>            Sizes and types of firms, Business growth, Demergers</p> <p><b>Theme 4 A global perspective</b></p> <p><b><u>4.1 International economics</u></b></p> <p>a) Characteristics of globalisation            b) Factors contributing to globalisation in the last 50 years            c) Impacts of globalisation and global companies on individual countries, governments, producers and consumers, workers and the environment</p> <p><b><u>4.1.2 Specialisation and trade</u></b>            Absolute and comparative advantage (numerical and diagrammatic): assumptions and limitations relating to the theory of comparative advantage</p> <p><b><u>4.1.3 Pattern of trade</u></b>            a) Factors influencing the pattern of trade between countries and changes in trade flows between countries</p>
Autumn 1	<p><b>Theme 1 Introduction to markets and market failure</b></p> <p><b>Induction <u>1.1 The Nature of Economics/1.2 Rational decision-making</u></b>            Economics as a social science, Positive and normative economic statements, The economic problem, Production possibility frontiers, Specialisation and the division of labour, Rational decision-making, alternative views of consumer behaviour</p> <p><b><i>Initial Judgement FA</i></b></p>	<p><b>Theme 3 Business behaviour and the labour market</b></p> <p><b><u>3.3 Revenues, costs and profits</u></b>            Costs, Revenue, Economies and diseconomies of scale, Normal profits, supernormal profits and losses</p> <p><b>Theme 4 A global perspective</b></p> <p><b><u>4.1.4 Terms of trade</u></b>            a) Calculation of terms of trade</p>

<p><b>Theme 1 Introduction to markets and market failure</b>  <b><u>1.2 Rational decision-making</u></b>  Demand, Supply, Price determination, Price mechanism</p> <p><b>Theme 2 The UK economy – performance and policies</b>  <b><u>2.4 National Income</u></b>  National income, injections and withdrawals, equilibrium level of output, multiplier</p> <p><b><u>2.1 Measures of Economic Performance</u></b>  Inflation, Economic Growth, Unemployment and employment, Balance of Payments</p>	<p>b) Factors influencing a country's terms of trade  c) Impact of changes in a country's terms of trade</p> <p><b>4.2 Poverty and inequality</b>  <b><u>4.2.1 Absolute and relative poverty</u></b>  a) Distinction between absolute poverty and relative poverty  b) Measures of absolute poverty and relative poverty  c) Causes of changes in absolute poverty and relative poverty</p> <p><b><u>4.2.2 Inequality</u></b>  a) Distinction between wealth and income inequality  b) Measurements of income inequality: <ul style="list-style-type: none"> <li>• the Lorenz curve (diagrammatic analysis)</li> <li>• the Gini coefficient</li> </ul> c) Causes of income and wealth inequality within countries and between countries  d) Impact of economic change and development on inequality  e) Significance of capitalism for inequality</p> <p><b><u>4.5.4 Macroeconomic policies in a global context</u></b>  a) Use of fiscal policy, monetary policy, exchange rate policy, supply-side policies and direct controls in different countries, with specific reference to the impact of: measures to reduce poverty and inequality</p> <p><b><u>4.3.1 Measures of development</u></b>  a) The three dimensions of the Human Development Index (HDI) (education, health and living standards) and how they are measured and combined</p> <p><b><u>4.3.2 Factors influencing growth and development</u></b>  a) Impact of economic factors in different countries</p>
---	--

<p><b>Autumn 2</b></p>	<p><b>Theme 1 Introduction to markets and market failure</b></p> <p><b><u>1.2 Rational decision-making</u></b>  Price, income and cross elasticities of demand, Elasticity of supply, Price determination, Consumer and producer surplus, Indirect taxes and subsidies</p> <p><b>Theme 2 The UK economy – performance and policies</b></p> <p><b><u>2.2 Aggregate Demand</u></b>  Components of aggregate demand, Consumption, Investment, Government Spending and Net Trade</p> <p><b><u>2.3 Aggregate Supply</u></b>  Characteristics of AS, Short run AS</p>	<p><b>Theme 3 Business behaviour and the labour market</b></p> <p><b><u>3.4 Business structures</u></b>  Efficiency, Perfect competition, Monopoly, Monopolistic competition, Oligopoly</p> <p><b><u>3.2 Business objectives</u></b>  Different business objectives, diagrams and formulae</p> <p><b>Theme 4 A global perspective</b></p> <p><b><u>4.3.2 Factors influencing growth and development</u></b></p> <p>a) Impact of economic factors in different countries:</p> <ul style="list-style-type: none"> <li>• education/skills</li> <li>• absence of property rights</li> </ul> <p>b) Impact of non-economic factors in different countries</p> <p><b><u>4.3.3 Strategies influencing growth and development</u></b></p> <p>Market-orientated strategies and Interventionist strategies</p> <p>To control mergers, to control monopolies, to protect suppliers and employees, The impact of government intervention Other strategies:</p> <ul style="list-style-type: none"> <li>• industrialisation: the Lewis model</li> <li>• development of tourism</li> <li>• development of primary industries</li> <li>• Fairtrade schemes</li> <li>• aid</li> <li>• debt relief</li> </ul> <p><b><u>4.5.2 Taxation</u></b></p> <p>a) Distinction between progressive, proportional and regressive taxes</p> <p>b) The economic effects of changes in direct and indirect taxes</p> <p><b><u>4.5.3 Public sector finances</u></b></p>
------------------------	---	--

<p><b>Spring 1</b></p>	<p><b>Theme 1 Introduction to markets and market failure</b>  <u><b>1.3 Market failure</b></u>  Types of market failure, Externalities, Public goods, Information Gaps  <u><b>1.4 Government intervention</b></u>  Government intervention in markets, Government failure</p> <p><b>Theme 2 The UK economy – performance and policy</b>  <u><b>2.3 Aggregate Supply</b></u>  Long run AS  <u><b>2.1 Measures of Economic Performance</b></u>  Causes of inflation, causes of unemployment  <u><b>2.5 Economic Growth</b></u>  Causes of growth, impact of growth, output gaps, business cycle</p>	<p><b>Theme 3 Business behaviour and the labour market</b>  <u><b>3.4 Market structures</b></u>  Contestability, Monopsony  <u><b>3.6 Government intervention</b></u>  a) Government intervention to control mergers  b) Government intervention to control monopolies: · price regulation · profit regulation · quality standards · performance targets  c) Government intervention to promote competition and contestability: · enhancing competition between firms through promotion of small business · deregulation · competitive tendering for government contracts · privatisation d) Government intervention to protect suppliers and employees: · restrictions on monopsony power of firms · nationalisation  <u><b>3.6 The Impact of government intervention</b></u>  a) The impact of government intervention on: · prices · profit · efficiency · quality · choice  b) Limits to government intervention: · regulatory capture · asymmetric information</p> <p><b>Theme 4 A global perspective</b>  <u><b>4.1.6 Restrictions on free trade</b></u>  b) Types of restrictions on trade: <ul style="list-style-type: none"> <li>• tariffs</li> <li>• quotas</li> <li>• subsidies to domestic producers</li> <li>• non-tariff barriers</li> </ul> c) Impact of protectionist policies on consumers, producers, governments, living standards, equality  <u><b>4.1.7 Balance of payments</b></u>  (Introduction)  a) The components of the balance of payments:</p>
------------------------	---	---

		<ul style="list-style-type: none"> <li>• the current account</li> <li>• the capital and financial accounts</li> </ul> <p><b><u>4.1.8 Exchange rates</u></b></p> <p>a) Exchange rate systems:</p> <ul style="list-style-type: none"> <li>• floating</li> <li>• fixed</li> <li>• managed</li> </ul> <p>b) Distinction between revaluation and appreciation of a currency</p> <p>c) Distinction between devaluation and depreciation of a currency</p> <p><b><u>4.1.7 Balance of payments</u></b></p> <p>Causes of deficits and surpluses on the current account</p> <p>Measures to reduce a country's imbalance on the current account</p> <p>Significance of global trade imbalances</p>
<p><b>Spring 2</b></p>	<p><b>Theme 1 Introduction to markets and market failure</b></p> <p><b><u>1.1 The Nature of Economics</u></b> Free market economies, mixed economy and command economy</p> <p><b>Theme 2 The UK economy – performance and policy</b></p> <p><b><u>2.6 Macroeconomic objectives and policies</u></b> Possible macroeconomic objectives, demand side policy (Fiscal and Monetary)</p>	<p><b>Theme 3 Business behaviour and the labour market</b></p> <p><b><u>3.5 Labour market</u></b> Demand for labour, Supply of labour, Wage determination in competitive and non-competitive markets</p> <p><b>Theme 4 A global perspective</b></p> <p><b><u>4.1.9 International competitiveness</u></b></p> <p>a) Measures of international competitiveness:</p> <ul style="list-style-type: none"> <li>• relative unit labour costs</li> <li>• relative export prices</li> </ul> <p>b) Factors influencing international competitiveness</p> <p>c) Significance of international competitiveness:</p> <ul style="list-style-type: none"> <li>• benefits of being internationally competitive</li> <li>• problems of being internationally competitive</li> </ul>

		<p><b><u>4.5.4 Macroeconomic policies in a global context</u></b> (Introduction) a) Use of fiscal policy, monetary policy, exchange rate policy, supply-side policies and direct controls in different countries, with specific reference to the impact of: measures to increase international competitiveness</p> <p><b><u>4.4 The financial sector</u></b></p> <p><b><u>4.4.1 Role of financial markets</u></b></p> <p><b><u>4.4.2 Market failure in the financial sector</u></b></p> <p><b><u>4.4.3 Role of central banks</u></b></p> <p><b><u>4.5.4 Macroeconomic policies in a global context</u></b></p>
<b>Summer 1</b>	<p><b>Theme 1</b> Markets in context – housing, energy, transport, commodities, health, education</p> <p><b>Theme 2 The UK economy – performance and policy</b> <b><u>2.6 Macroeconomic objectives and policies</u></b> Supply side policies and conflicts and trade offs between objectives and policies</p>	

### **Skills**

The skills developed throughout the course include:

- Recalling detailed information accurately
- Knowledge and understanding of different microeconomic and macroeconomic concepts, theories and models.
- Applying knowledge and understanding of economic concepts, and theories in different economic contexts.
- Analysing and evaluating the impact of economic policy on the consumers, producers and the economy
- Making justified judgements with supported reasoning
- Numeracy skills – calculations in each topic of the course
- Communication and presenting
- Problem solving

## **Assessment**

Internal formal assessment takes place on five occasions in Year 12 (including the mock exams) and two occasions in Year 13 in line with the school assessment policy. There will also be a series of departmental assessments and home works throughout Year 12 and 13 to support the more formal assessments. For the award of the qualification, this linear A Level from Pearson is examined entirely by examination at the end of Year 13. There are three papers:

Paper 1 – Markets and Business Behaviour (2 Hours)

Paper 2 – National and Global Economy (2 Hours)

Paper 3 – Micro and Macro Economics (2 Hours)

Papers 1 and 2 are made up of multiple choice, short response and extended answer questions linking to case studies.

Paper 3 is made up of synoptic short answer and extended answer questions based on two detailed case studies.

Papers 1 and 2 have a slightly greater overall weighting

Further details about the course can be found at:

<https://qualifications.pearson.com/en/qualifications/edexcel-a-levels/economics-a-2015.news.html?facets=news-all>