

## Walthamstow Academy – Economics Curriculum Journey

### **Vision:**

In Economics we strive to provide students with the knowledge and skills to think like an economist and to understand the economy as someone who is living in it. This means that students have a strong understanding of key economic theory such as consumer behaviour, productivity, market structures, government objectives and policies and can apply this to understand what is happening in the world around them.

We go beyond the textbook by not only exploring different fields but also looking at contemporary issues such as the Global Financial Crisis and Trade Union disputes. Students also develop analytical and critical thinking skills by blending their economic understanding and personal experiences to challenge contemporary ideas and issues.

### Principles:

- Secure knowledge of micro and macroeconomic principles
- Diagrammatic analysis of theory
- Wider reading to develop students' contextual knowledge
- Empowering students to evaluate the microeconomic outcomes of a market economy and the use of government policy to manage the macroeconomy, judging for themselves the impact on economic welfare

Term	Curriculum Content	Assessment(s) (assessment title, duration and approx date)	Extra-Curricular Options (Places to visit; wider reading; clubs to join)
<p><b>Year 12 Curriculum Overview:</b>  <i>Students in Year 12 are typically learning Economics for the first time, so the cornerstone of the curriculum is understanding the fundamental economic problem of allocating scarce resources amongst infinite wants and needs. Students gain an understanding of the power of the market forces of supply and demand to make these decisions but also that market failure can lead to inefficiency and therefore the need for government intervention. In macroeconomics they learn how to measure economic performance, what the government tries to achieve in terms of the wider economy and the macroeconomic policies they use in pursuit of these objectives.</i></p>			
<p><b>Year 12 HT1</b></p>	<p><b>Unit Title: The Operation of Markets and Market Failure</b>  Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• Economic methodology; Economics as a social science and the existence of positive and normative statements in economic theory and principle</li> <li>• Factors of production, the problem of scarcity of resources and the concept of opportunity cost through the drawing and analysis of Production Possibility Frontier diagrams</li> <li>• The determinants of supply and demand, price, cross and income elasticities of demand and how market forces determine equilibrium prices</li> <li>• Production, productivity, specialisation and the division of labour, leading to the need for money to unlock the benefits of specialisation and trade</li> <li>• Costs of production in both the short and long-run and the differences between variable, fixed, average and total costs</li> <li>• That in the long-run economies/diseconomies of scale exist</li> <li>• Average revenue is equal to a firm's demand curve</li> </ul>	<p><b>Initial numeracy assessment</b></p> <p><b>Topic 1-3 assessment</b></p>	<p><b>Freakonomics: Stephen J. Dubner and Steven Levitt</b></p>
<p><b>Year 12 HT2</b></p>	<p><b>Unit Title: The Operation of Markets and Market Failure</b>  Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• Market structures and how to distinguish between them on the spectrum of competition</li> <li>• The objectives of firms and how these impact conduct and behaviour</li> <li>• Competitive markets and the model of perfect competition</li> <li>• Monopoly and monopoly power and its impact on efficiencies and profits</li> </ul>	<p><b>Multiple choice question test on topics from HT1</b></p>	

	<ul style="list-style-type: none"> <li>The rationing, incentive and signalling functions of price in allocating resources</li> </ul>		
<b>Year 12 HT3</b>	<p><b>Unit Title: The Operation of Markets and Market Failure</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>The meaning of market failure</li> <li>The characteristics of public goods, private goods and quasi-public goods and the free rider problem</li> <li>Positive and negative externalities as a cause of market failure; merit and demerit goods and their under/over consumption in a free market</li> <li>Market imperfections: asymmetric information, monopoly power and factor immobility</li> <li>The inequitable distribution of income and wealth as a source of market failure</li> <li>Government intervention; indirect taxation, subsidies, price controls, state provision and regulation to correct market failure</li> <li>Government failure</li> </ul>	<p><b>Market failure essay: demerit goods and negative externalities in consumption</b></p> <p><b>PPE</b></p> <p><b>1 x 60 minute exam: Microeconomics</b></p>	
<b>Year 12 HT4</b>	<p><b>Unit Title: The national economy in a global context</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>The main objectives of government macroeconomic policy and how conflict between these objectives may arise, at least in the short run</li> <li>Macroeconomic indicators to measure economic performance and the use of index numbers</li> <li>How the macroeconomy works: the circular flow of income</li> <li>Aggregate demand and aggregate supply analysis; the determinants of AD and AS</li> <li>The accelerator and multiplier processes</li> <li>The determinants of short-run and long-run AS</li> </ul>	<p><b>Multiple choice questions test</b></p>	<p><b>Read:</b> <b>The Economist: “the problem with Germany’s trade surplus”</b></p>
<b>Year 12 HT5</b>	<p><b>Unit Title:</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>Economic growth and the economic cycle and the difference between short-run and long-run growth</li> <li>Negative and positive output gaps and demand-side and supply-side shocks that affect the level of economic activity</li> </ul>	<p><b>Extended writing: AD/AS analysis, economic growth and multiplier effects</b></p>	

	<ul style="list-style-type: none"> <li>• Employment and unemployment</li> <li>• Inflation (cost-push and demand-pull) and deflation</li> <li>• The importance of external trade; the balance of payments on current account</li> </ul>		
<b>Year 12 HT6</b>	<p><b>Unit Title:</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• Monetary policy, the role of the MPC and the impact on exchange rate</li> <li>• Fiscal policy and how it can be used to influence aggregate supply and aggregate demand</li> <li>• The difference between direct and indirect taxes; the difference between progressive, proportional and regressive taxation</li> <li>• The budget balance and national debt</li> <li>• Supply-side policy and supply-side improvements and their potential for impacting the underlying trend rate of growth, employment and the balance of payments on current account</li> </ul>	<p><b>PPEs</b> <b>2 x 90 minute AS level papers</b> <b>Paper 1 – Microeconomics</b> <b>Paper 2 – Macroeconomics</b></p>	<p><b>Watch:</b> <b>The decade the rich won, BBC</b> <b>iPlayer</b></p>
<b>Term</b>	<b>Curriculum Content</b>	<b>Assessment(s)</b> <i>(assessment title, duration and approx date)</i>	<b>Extra-Curricular Options</b> <i>(Places to visit; wider reading; clubs to join)</i>
<p><b>Year 13 Curriculum Overview:</b> <i>In Year 13 students deepen their understanding of the economic decision making of individuals, firms and governments. They explore in detail the theory of the firm and its diagrammatic analysis to identify efficiencies, surpluses, welfare losses and how markets are increasingly dynamic because of technological change. They explore the labour market, its imperfections, interventions and outcomes for employers and workers. In macroeconomics they learn about the role of financial markets and their potential for fuelling economic growth and welfare creation, but also how their mismanagement can lead to widespread economic collapse. Finally, they consider economic growth and development globally, considering the case for and against free trade, why more free trade does not occur and the how international cooperation aims to create sustainable and fair growth for everyone.</i></p>			
<b>Year 13 HT1</b>	<p><b>Unit Title: Individuals, firms, markets and market failure</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• Consumer behaviour, utility theory and the importance of the margin when making choices</li> <li>• Behavioural economic theory and its uses in shaping economic policy</li> <li>• The law of diminishing returns and return to scale and the shape(s) of the long-run average cost curve</li> </ul>	<p><b>In-class assessment</b></p>	

	<ul style="list-style-type: none"> <li>• Technological change; it's impact on production, efficiency and the breaking-down of existing markets/creation of new markets</li> <li>• Market structures that exist between the extremes of perfect competition and monopoly i.e. monopolistic competition and oligopoly</li> </ul>		
<b>Year 13 HT2</b>	<p><b>Unit Title: Individuals, firms, markets and market failure</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• The conditions necessary for price discrimination, its forms and a diagrammatic analysis of each degree of price discrimination</li> <li>• The dynamics of competition and creative destruction</li> <li>• Static and dynamic efficiencies</li> <li>• Consumer and producer surplus and their link to price discrimination and the deadweight welfare losses associated with monopoly power</li> <li>• The labour market; labour demand and marginal productivity theory</li> <li>• Labour supply</li> <li>• The determination of wage rates in perfectly competitive and monopsony labour markets and those impacted by the presence of trade unions</li> <li>• The National Living Wage, forms of labour discrimination</li> </ul>	<p><b>PPEs</b> <b>2 x 90 minute papers</b> <b>Paper 1 – Microeconomics</b> <b>Paper 2 – Macroeconomics</b></p>	
<b>Year 13 HT3</b>	<p><b>Unit Title: Individuals, firms, markets and market failure</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• Measures of inequality: the Lorenz curve and Gini coefficient, benefits and costs of more equal and more unequal distributions</li> <li>• Government policies to alleviate poverty</li> </ul> <p><b>Unit Title: The national and international economy</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• Financial markets; debt and equity, money markets, capital markets and foreign exchange markets</li> <li>• The inverse relationship between market interest rates and bond prices</li> <li>• The role of commercial and investment banks in the economy</li> <li>• The importance of maintaining stability and liquidity in commercial banks</li> <li>• How banks create credit</li> <li>• The role of central banks in monetary policy</li> <li>• Regulation of the financial system, moral hazard and systemic risk</li> </ul>	<p><b>Labour market exam style essay questions in class</b></p>	

<b>Year 13 HT4</b>	<p><b>Unit Title: The national and international economy</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• Fiscal policy, government borrowing and the significance of national debt</li> <li>• Free market v interventionist supply-side policies</li> <li>• Globalisation</li> <li>• Trade, the model of comparative and absolute advantage and how specialisation and trade can increase total output</li> </ul>	<b>PPE 2: Full Paper 1 and Paper 2</b>	<b>Complete a deep dive investigation into the macroeconomic history, performance and challenges faced by a developing economy of your choice</b>
<b>Year 13 HT5</b>	<p><b>Unit Title: The national and international economy</b> Students will learn about/ develop skills of:</p> <ul style="list-style-type: none"> <li>• The costs of international trade</li> <li>• The UK's pattern of trade and recent changes in it</li> <li>• Protectionism and trading blocs/customs unions</li> <li>• Economic growth and development around the world: barriers to growth and development and policies to promote it</li> <li>• The role of aid</li> </ul>	<b>Paper 3 practice and preparation</b>	