



Term	Mr Maxwell	Key Skills / PSAs / Deadlines
1	<p>(7136/1) – Economic methodology and the economic problem</p> <ul style="list-style-type: none"> ● 4.1.5.3 Perfect competition: Characteristics of a perfectly competitive market; formal diagrammatic analysis of the model in the short and long-run; assumptions of model. ● 4.1.5.6 Monopoly Power: Formal diagrammatic analysis of the model; barriers to entry; advantages and disadvantages of monopoly. ● 4.1.5.4 Monopolistic competition: Formal diagrammatic analysis of the model in the short and long-run; characteristics of the model; importance of non-price competition. ● 4.1.5.5 Oligopoly: Formal diagrammatic analysis of the kinked demand curve model; Game Theory; characteristics of markets; concentration ratios; cooperation and collusion; cartels and cartel like behaviour. ● 4.1.5.8 Contestability and non-contestable markets: significance of contestability on the performance of a market; sunk costs; hit and run competition. ● 4.1.8.7 Competition Policy: The various bodies involved in competition policy including E.U bodies; policies and actions taken; evaluation of policies. ● 4.1.8.8. Public ownership, privatisation, regulation and deregulation of markets: Arguments for and against 	<p>Read Chapter 3</p> <p>Notes: characteristics; assumptions and diagrammatic representation of each model.</p> <p>Key skills: Application to key UK industries; effective diagrammatic analysis; being able to assess degree of market failure; evaluation of actual and suggested policies.</p> <p>Data response and essay (15 and 25 mark) A2 questions from past papers</p>

	nationalisation, privatisation, regulation, deregulation; regulatory capture.	
--	--	--

- **4.1.5.7 Price discrimination:** The various degrees of price discrimination; conditions necessary for each; advantages and disadvantages to firms and consumers.
- **4.1.6 Labour markets:** Wage determination using demand and supply analysis; factors/determinants of demand and supply of labour; MRP theory; wage elasticity of demand and supply of labour; monetary and non-monetary rewards; backward sloping supply curve.
- **4.1.6.3 Perfectly competitive labour markets:** Formal diagrammatic analysis of the model; role of market forces in wage determination; limitations to the model.
- **4.1.6.4 Imperfectly competitive labour markets:** Monopsony and the impact on wages and employment; Trade Unions; imperfect information; national minimum wage; wage discrimination.
- **4.1.8 Market failure and government intervention:** A revisit to key market failures from AS – externalities, merit and demerit goods, public goods; interventions and possible government failures
- **4.1.7 Poverty and inequality:** A more detailed look into differences in income and wealth; factors that influence inequality; equality and equity; benefits and costs of more equal and more unequal distributions; absolute and relative poverty; causes and effects of poverty; policies that influence inequality and poverty.
- **4.1.2 Individual economic decision making:** rational decision making; utility theory; importance of the margin; **behavioural economic theory** – bounded rationality, bounded self-control, altruism, biases; choice architecture – Nudges,

Read Chapter 4

Key skills: Application to the real UK economy and key industries; effective diagrammatic analysis; being able to assess degree of market failure; evaluation of actual and suggested policies such as the living wage.

Key skills: application to key UK industries – energy, transport, health, education; more advanced diagrammatic analysis; evaluation of actual and suggested policies including government failure.

Key skills: interpretation of real world data; ability to link inequality to other market failures e.g. exclusion from the housing market; evaluation of actual and suggested policies.

Use of real world examples to give us insight to possible future policies.

	framing, default choices, restricted choices, mandated choices.	
--	--	--

<p>3</p>	<p>Mock paper at the start of January Unit 2 - The national and international economy (7136/2)</p> <ul style="list-style-type: none"> ● 4.2.6.5 Economic growth and the economic cycle: Demand and supply-side causes; trend growth; output gaps; causes of booms and recessions; costs and benefits of growth; impact on individuals, economy and the environment; weaknesses of national income data; measuring living standards; inequality and policies to address; ● 4.2.3.2. Employment and Unemployment: different types/causes of unemployment; measuring unemployment; concepts of voluntary and involuntary unemployment; concept of natural rate of unemployment and factors that determine it; consequences of unemployment. ● 4.2.3.4 Possible conflicts between macroeconomic objectives: short and long-run Phillips curves and associated analysis; policies to reconcile objectives. 	<p>Past or specimen paper under exam conditions – 2 hours</p> <p>Read textbook chapters 5 and 8</p> <p>Key skills: Effective AD/AS analysis; application to current and recent UK performance; being able to interpret and evaluate macroeconomic measurements re growth, living standards and inequality (HDI, Gini Coefficient).</p> <p>Key skills: Using both AD/AS and the Phillips curve diagrams effectively; describing and interpreting data; analysis and evaluation of policies; recent and current UK performance.</p> <p>Data response and essay (15 and 25 mark) A2 questions from past papers</p>
<p>4</p>	<ul style="list-style-type: none"> ● 4.2.3.3 Inflation and deflation: concepts of inflation, deflation and disinflation; quantity theory of money ● 4.2.4 Financial markets and monetary policy: money supply, functions of money, interest rates and bond markets; how banks create credit; different types of banks; role and operation of the MPC; regulation of the financial system. ● 4.2.5.1 Fiscal policy: different forms of taxation and spending; principles of taxation; role and merit of key taxes; cyclical nature of the budget; national debt and how it is funded; discretionary fiscal policy 	<p>Read textbook chapter 9 and 10</p> <p>Key skills: Using demand and supply analysis to explain changes in bond prices, interest rates, and exchange rates; ability to clearly explain the transmission mechanism and quantitative easing; being able to critically evaluate current and recent monetary policy.</p> <p>Data response and essay questions from past papers</p>

	<ul style="list-style-type: none"> ● 4.2.5.2 Supply-side policies: A detailed look into the operation of key supply-side policies. 	
5	<p>4.2.6 The international economy</p> <ul style="list-style-type: none"> ● 4.2.6.2 Trade: model of comparative advantage; protectionist policies; customs unions and free trade area; E.U; Single European Market (SEM); W.T.O ● 4.2.6.1 Globalisation: Causes; characteristics; role of MNCs; impact on developed and less developed economies. ● 4.2.6.3 The balance of payments: The Current and Capital accounts; UK performance re trade; policies to improve our trade balance; exchange rates and systems. ● 4.2.6.4 Exchange rates: the workings of the FOREX market; advantages and disadvantages of fixed and floating exchange rate systems; arguments for and against joining the euro. ● 4.2.6.5 Economic growth and development: Uses of National Income Data; measuring living standards; inequality and policies to address; differences between growth and development; factors affecting development; barriers to development; policies to encourage; role of aid; role of trade. ● Revision 	<p>Read chapter 10</p> <p>Key skills: Effective AD/AS analysis; application to current and recent UK performance; being able to interpret and evaluate macroeconomic measurements re growth, living standards and inequality (HDI, Gini Coefficient).</p> <p>Full mock paper</p>
6		