



Edexcel A level Economics B

Mrs Kathryn Taylor
Head of Faculty





Is Economics for me?

Yes, if you want to:

- Understand how the economy works
- Understand how governments try to manage economies.
- Consider economic issues such as the importance of economic growth, inequality, globalisation and the Global Financial Crisis
- Keep up to date with national and international economic picture
- Learn about the economic environment and business through research and investigation



What to expect in Year 12 Economics

1

Introduction to macroeconomics:

Economic growth, inflation, unemployment, Balance of Payments, exchange rates, interest rates

Introduction to Economic Policy:

Demand and Supply Side policies

The Characteristics of a Global Economy:

Trade & Growth, comparative advantage

Trading blocs, free trade v protectionism

Assessing Economies for their potential as Markets / location for production

Responding to Global Demand

The role of the Multinational Corporation

2

The Economic Problem:

Scarcity, choices, trade offs, the role of the entrepreneur in an economy

Objectives of firms and their stakeholders:

Profit/ sales maximisation v other objectives

Markets:

Supply and Demand: how price and non-price factors affect these and how firms can increase demand and the efficiency of their supply.

The Growth of the Firm:

Economies and diseconomies of scale

Measuring success through:

Income, profit, profit margins, positive cash flow



What to expect in Year 13 Economics

1	2
Competition & Market Power:	Market Failure:
Relationship between costs and revenue and profit and revenue maximisation. Productive and allocative efficiency.	Market Failure in society eg over consumption of de-merit goods, under consumption of merit goods
The Spectrum of Competition:	Policies to deal with market failure
The characteristics of different market structures, from perfect competition to monopoly.	Arguments for and against regulation
Poverty & Inequality	Labour Markets
Measure of and the impact on individuals and society.	Determinants of pay, impact of a minimum wage, impact of migration on labour markets
Approaches to the redistribution of income and wealth	Macroeconomic Policy [2]
Risk, Uncertainty and the Role of the Financial Sector:	Evaluation of the relative merits / unwanted consequences of a particular policy.
The role of the central bank and commercial banks in the economy	
The Global Financial Crisis	



Students who enjoy economics most and achieve well tend to:

- Be very interested in news and current affairs
- Like finding out for themselves
- Ask lots of questions already about the economy
- Want to know why big questions like economic growth or interest rates matter
- Enjoy reading beyond the demands of the course
- Sign up to the free FT schools subscription
- Want to debate tricky topics like trade blocs or income inequality.



Current topics of interest to the study of economics

- Very little economic growth
- Will the Bank of England bring interest rates down further?
- What will the Chancellor of the Exchequer announce in the budget?
- Will price levels continue to be higher than the 2% target?
- The case for economic migration to support labour markets



For A level you will study all four themes and will sit three exams at the end of your course:

- **Paper 1** has data response and essay questions on markets, consumers and firms and how markets work
- **Paper 2** has data response and essay questions on competing in the global economy
- In **Paper 3** the data response and essay questions ask you to see how it all fits together. You will have a research task before the exam. The questions in the exam are linked to the context you will research.



Economics prepares you for progression to further study or the world of work:

- You will have developed data handling and writing skills which are transferable to both university and employment
- You might want to study a degree in economics, business economics, international business or a business and management degree
- You might progress to a career in banking, commerce, the civil service or many roles in business that require an understanding of economics.



Edexcel A level Economics Specification B

Mrs Kathryn Taylor

Assistant Head Curriculum and Head of the
Business & Economics Faculty

KGTaylor@ecclesbourne.derbyshire.sch.uk

Other teachers of economics Mrs Bowler and
Miss Mooney