

## KS5 – Year 12 – Economics

Term	Topic Titles	Brief Overview
<b>1</b>	4.1.1 Economic methodology and the economic problem	Economic methodology; the nature and purpose of economic activity; economic resources; scarcity, choice and the allocation of resources; production possibility diagrams
	4.1.2 Individual economic decision making	Consumer behaviour; imperfect information; aspects of behavioural economic theory; behavioural economics and economic policy
	4.1.3 Price determination in a competitive market	The determinants of the demand for goods and services; price, income and cross elasticities of demand; the determinants of the supply of goods and services; price elasticity of supply; the determination of equilibrium market prices; the interrelationship between markets
	(Aspects of) 4.1.8 The market mechanism, market failure and government intervention in markets	How markets and prices allocate resources; the meaning of market failure; public goods, private goods and quasi-public goods; positive and negative externalities in consumption and production; merit and demerit goods; market imperfections; government intervention in markets; government failure
<b>2</b>	4.2.1 The measurement of macroeconomic performance	The objectives of government economic policy; macroeconomic indicators; uses of index numbers; uses of national income data
	4.2.2 How the macroeconomy works: the circular flow of income, aggregate demand/aggregate supply analysis and related concepts	The circular flow of income; aggregate demand and aggregate supply analysis; the determinants of aggregate demand; aggregate demand and the level of economic activity; determinants of short-run aggregate supply; determinants of long-run aggregate supply
	4.2.3 Economic performance	Economic growth and the economic cycle; employment and unemployment; inflation and deflation; possible conflicts between macroeconomic policy objectives
	4.2.4.3 Central banks and monetary policy	Central banks and monetary policy
<b>3</b>	4.2.5 Fiscal policy and supply-side policies	Fiscal policy; supply-side policies
	4.2.6.3 The balance of payments	The balance of payments