Year 13 Economics Course Outline
Macroeconomics 2020-2021

Students will be expected to understand the significance of globalisation, international trade, the balance of payments and exchange rates. They will examine public finance, macroeconomic policies and the role of the financial sector in a global context. Students will consider the factors influencing the growth and development of emerging and developing countries. In examining these areas, application, analysis and evaluation of economic models is required as well as an ability to assess policies that might be used to address national and global economic challenges. Students should develop an awareness of trends in the global economy over the last 25 years through wider reading and research so that they can include relevant examples in their analysis and evaluation. Students are encouraged to use an enquiring, critical and thoughtful approach to the study of economics and to develop an ability to think as an economist. To develop their skills, knowledge and understanding in economics, students need to have acquired competence in quantitative skills that are relevant to and applied in the context of this theme

Term	Topic and approximate duration	Key learning areas Students should be able to:	Homework Options
		Students have 4 lessons per cycle/fortnight **Homework is set every 2 lessons**	

Term	Topic and approximate duration	Key learning areas Students should be able to:	Homework Options

	Poverty and Inequality (2 weeks)
	
	Emerging and developing economies (4 weeks)
		Students will learn:
		4.2.1 Absolute and relative poverty
		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
		4.2.2 Inequality
		a) Distinction between wealth and income inequality
		b) Measurements of income inequality:
		    • the Lorenz curve (diagrammatic analysis)
		    • the Gini coefficient
		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
		
		Students will learn:
		4.3.1 Measures of development
		a) The three dimensions of the Human Development Index (HDI) (education, health and living standards) and how they are measured and combined
		b) The advantages and limitations of using the HDI to compare levels of development between countries and over time
		c) Other indicators of development
		4.3.2 Factors influencing growth and development
		a) Impact of economic factors in different countries:
		    • primary product dependency
		    • volatility of commodity prices
		    • savings gap: Harrod-Domar model
		    • foreign currency gap
		    • capital flight
		    • demographic factors
		    • debt
			Tasks:
			• Preparation tasks including flipped learning notes
			• Consolidation tasks including:
			• Multiple Choice Practice Questions
			• Recall and short answer questions
			• Portfolio of data analysis of key macroeconomic indicators
			• Case study application questions
			• Quantitative skills tests

		• access to credit and banking • infrastructure • education/skills • absence of property rights b) Impact of non-economic factors in different countries 4.3.3 Strategies influencing growth and development a) Market-orientated strategies: • trade liberalisation • promotion of FDI • removal of government subsidies • floating exchange rate systems • microfinance schemes • privatisation b) Interventionist strategies: • development of human capital • protectionism • managed exchange rates • infrastructure development • promoting joint ventures with global companies • buffer stock schemes 4.3.3 Strategies influencing growth and development c) Other strategies: • industrialisation: the Lewis model • development of tourism • development of primary industries • Fairtrade schemes • aid • debt relief d) Awareness of the role of international institutions and non-government organisations (NGOs): • World Bank • International Monetary Fund (IMF) • NGOs	
Nature of landmark assessment	Multiple choice and data context exam paper questions	
Role of the state in the macroeconomics (4 weeks)	Students will learn: 4.5.1 Public expenditure a) Distinction between capital expenditure, current expenditure and transfer payments	**Tasks**: • Preparation tasks including flipped

| | | b) Reasons for the changing size and composition of public expenditure in a global context
c) The significance of differing levels of public expenditure as a proportion of GDP on:
•   productivity and growth
•   living standards
•   crowding out
•   level of taxation
•   equality
4.5.2 Taxation
a) Distinction between progressive, proportional and regressive taxes
b) The economic effects of changes in direct and indirect
tax rates on other variables:
•   incentives to work
•   tax revenues: the Laffer curve
•   income distribution
•   real output and employment
•   the price level
•   the trade balance
•   FDI flows
4.5.3 Public sector finances
a) Distinction between automatic stabilisers and discretionary fiscal policy
b) Distinction between a fiscal deficit and the national debt
c) Distinction between structural and cyclical deficits
d) Factors influencing the size of fiscal deficits
e) Factors influencing the size of national debts
f) The significance of the size of fiscal deficits and national debts
4.5.4 Macroeconomic policies in a global context
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 fiscal deficits and national debts | learning notes
• Consolidation tasks including:
• Multiple Choice Practice Questions
• Recall and short answer questions
• Portfolio of data analysis of key macroeconomic indicators
• Case study application questions
• Quantitative skills tests |
| **Nature of landmark assessment** | Multiple choice and data context exam paper questions | |

| | The financial sector (5 weeks) | 4.5.1 Public expenditure
a) Distinction between capital expenditure, current expenditure and transfer payments
b) Reasons for the changing size and composition of public expenditure in a global context
c) The significance of differing levels of public expenditure as a proportion of GDP on:
• productivity and growth
• living standards
• crowding out
• level of taxation
• equality
4.5.2 Taxation
a) Distinction between progressive, proportional and regressive taxes
b) The economic effects of changes in direct and indirect
tax rates on other variables:
• incentives to work
• tax revenues: the Laffer curve
• income distribution
• real output and employment
• the price level
• the trade balance
• FDI flows
4.5.3 Public sector finances
a) Distinction between automatic stabilisers and discretionary fiscal policy
b) Distinction between a fiscal deficit and the national debt
c) Distinction between structural and cyclical deficits
d) Factors influencing the size of fiscal deficits
e) Factors influencing the size of national debts
f) The significance of the size of fiscal deficits and national debts
4.5.4 Macroeconomic policies in a global context
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 fiscal deficits and national debts | **Tasks**:
• Preparation tasks including flipped learning notes
• Consolidation tasks including:
• Multiple Choice Practice Questions
• Recall and short answer questions
• Portfolio of data analysis of key macroeconomic indicators
• Case study application questions
• Quantitative skills tests |
| | **Nature of landmark assessment** | Multiple choice and data context exam paper questions | |

Summer Term	**Revision**	Review of Year 1 and Year 2 content Focus on improving exam skills: knowledge recall, application, analysis and evaluation Multiple choice and case study practice exam question	
	Nature of landmark assessment	A Level examinations	