

Subject	Year	Term
Economics (micro)	Year 12	Y12 Autumn 1 and Y12 Autumn 2
<b>Topic</b>		
<b>4.1.3 Price determination in a competitive market</b>		
<b>Content (Intent)</b>		
<p><b>Prior Learning</b></p> <ul style="list-style-type: none"> <li>Section 4.1.1. (Economic methodology)</li> </ul>		
<p><b>This section of the syllabus is split into 6 topics (4.1.3.1 to 4.1.3.6)</b></p>		
<p><b><u>Part 1 - Topics completed in Y12 Autumn term 1</u></b></p>		
<p><b>4.1.3.1. The determinants of the demand for goods and services</b></p> <ul style="list-style-type: none"> <li>A demand curve shows the relationship between price and quantity demanded.</li> <li>The causes of shifts in the demand curve.</li> </ul>		
<p><b>4.1.3.2. Price, income and cross elasticities of demand</b></p> <ul style="list-style-type: none"> <li>Be able to calculate price, income and cross elasticities of demand.</li> <li>The relationship between income elasticity of demand and normal and inferior goods.</li> <li>The relationship between cross elasticity of demand and substitute and complementary goods.</li> <li>The relationships between price elasticity of demand and firms' total revenue (total expenditure).</li> <li>The factors that influence these elasticities of demand.</li> </ul>		
<p><b><u>Part 2 - Topics completed in Y12 Autumn term 2</u></b></p>		
<p><b>4.1.3.3. The determinants of the supply of goods and services</b></p> <ul style="list-style-type: none"> <li>A supply curve shows the relationship between price and quantity supplied.</li> <li>Understand that higher prices imply higher profits and that this will provide the incentive to expand production.</li> <li>The causes of shifts in the supply curve. Students should also know that, under perfect competition, the supply curve is the marginal cost curve.</li> </ul>		
<p><b>4.1.3.4. Price elasticity of supply</b></p> <ul style="list-style-type: none"> <li>Be able to calculate price elasticity of supply.</li> <li>The factors that influence price elasticity of supply.</li> </ul>		
<p><b>4.1.3.5. The determination of equilibrium market prices</b></p> <ul style="list-style-type: none"> <li>How the interaction of demand and supply determines equilibrium prices in a market economy.</li> <li>The difference between equilibrium and disequilibrium.</li> <li>Why excess demand and excess supply lead to changes in price.</li> </ul>		
<p><b>4.1.3.6. The interrelationship between markets</b></p> <ul style="list-style-type: none"> <li>Changes in a particular market are likely to affect other markets.</li> <li>The implications of joint demand, competitive demand, composite demand, derived demand and joint supply.</li> </ul>		
<p><b>Future Learning:</b></p> <p>This section of the syllabus explains how markets work. An understanding of markets underpins all the work we do in the rest of the syllabus - it is the foundation upon which the course is built. We use a knowledge of markets to understand why markets fail, market structures, labour markets, distribution of income, causes of poverty and the need to develop government policy.</p>		

How will knowledge and skills be taught? (Implementation)	How will your understanding be assessed & recorded (Impact)	
This topic will involve, but not be limited to: <ul style="list-style-type: none"> <li>- Teacher led lesson content</li> <li>- Independent learning tasks</li> <li>- Group discussion/debates and questioning</li> <li>- Using economic terminology</li> <li>- Reference to economic examples throughout</li> </ul>	<ul style="list-style-type: none"> <li>- Past Paper responses and essays. Marked and feedback given.</li> <li>- Verbal responses. Individual and class feedback given.</li> </ul>	
How can parents help at home?		
<ul style="list-style-type: none"> <li>• Discussing ideas and content at home &amp; linking it to real world situations that they are aware of.</li> <li>• Watch the news and/or read a good quality newspaper</li> <li>• Watch any topical films or documentaries that link to economics e.g. Panorama, dispatches etc.</li> <li>• Support us with our department's high expectations of spelling, grammar, punctuation, and minimum standards.</li> </ul>		
Helpful further reading/discussion		
<b>Reading</b> <ul style="list-style-type: none"> <li>• Economics A level textbooks</li> <li>• Tutor 2u website and YouTube channel</li> <li>• <a href="http://www.econplusdal.com">www.econplusdal.com</a></li> <li>• <a href="https://www.tutor2u.net">https://www.tutor2u.net</a></li> <li>• BBC website for current economics articles</li> <li>• Exam board subject website <a href="https://www.aqa.org.uk/subjects/economics/as-and-a-level/economics-7135-7136">https://www.aqa.org.uk/subjects/economics/as-and-a-level/economics-7135-7136</a></li> <li>• CIA website for international economic data <a href="https://www.cia.gov/the-world-factbook/">https://www.cia.gov/the-world-factbook/</a></li> <li>• Books – Reinventing the Bazaar (J.McMillan)</li> </ul>	<b>Vocabulary Key Words</b> <ul style="list-style-type: none"> <li>• Demand</li> <li>• Demand curve</li> <li>• Price</li> <li>• Quantity demanded</li> <li>• Shifts in the demand curve</li> <li>• Movements along a demand curve</li> <li>• Price, income and cross elasticities of demand</li> <li>• Normal goods</li> <li>• Inferior goods</li> <li>• Superior goods</li> <li>• Substitute goods</li> <li>• Complementary goods</li> <li>• Revenue</li> <li>• Supply</li> <li>• Supply curve</li> <li>• Quantity supplied</li> <li>• Profit incentive</li> <li>• Shifts in the supply curve</li> <li>• Movement along the supply curve</li> <li>• Price elasticity of supply</li> <li>• Interaction of demand and supply</li> <li>• Equilibrium price</li> <li>• Market economy</li> <li>• Equilibrium</li> <li>• Disequilibrium</li> <li>• Excess demand</li> <li>• Excess supply</li> <li>• Joint demand</li> <li>• Competitive demand</li> <li>• Composite demand</li> <li>• Derived demand</li> <li>• Joint supply</li> </ul>	<b>Careers Links</b> <p>A level economics develops skills and knowledge that help in a wide range of careers. An understanding of how changes in economic variables impacts the economic environment that firms operate in is useful for careers in a wide range of industries. Data handling and interpretation skills, along with the ability to construct alternative arguments to a problem before drawing conclusions are valued in many careers.</p>