

Year: 12 Subject: Economics



Term	Week	Focus	Summary	Learning Outcomes	Learning skills
m 1.1	1	1.3.1 Introductory concepts The nature of Economics	 1 The nature of economics a) Thinking like an economist: the process of developing models in economics, including the need to make assumptions b) The use of the ceteris paribus assumption in building models c) The inability in economics to make scientific experiments 	By studying the nature of economics, students will develop an understanding of scarcity, economic decision-making, different economic systems, interdependence, economic indicators, and the role of economic institutions.	Thinking critically about economics ideas and issues. Using various economic concepts and economic data to synthesise the information to make judgements.
		Positive and normative economics/ Scarcity	 2 Positive and normative economic statements a) Distinction between positive and value judgements on economic issues b) The role of value judgements in influencing economic decision making and policy 	Through studying positive and normative economic statements, students will develop the ability to distinguish between factual descriptions of economic phenomena (positive statements) and value judgments or opinions about what ought to be (normative statements).	Thinking critically about economics ideas and issues. Using various economic concepts and economic data to synthesise the information to make judgements.
Tei	2	1.3.1 Introductory concepts Production possibility frontiers	 4 Production possibility frontiers (Introduction) c) The distinction between capital goods and consumer goods. a) The use of production possibility frontiers to depict: the maximum productive potential of an economy efficient or inefficient allocation of resources possible and unobtainable production. a) The use of production possibility frontiers to depict: 	By studying production possibility frontiers, students will develop an understanding of the concept of trade-offs, opportunity costs, and the efficient allocation of resources in the production of goods and services.	Examining evidence, e.g. information about a sector of the economy. Interpret economic data to understand the meaning of that data. Examining evidence, e.g. information about a sector of the economy. Interpret economic data to understand the meaning of that data.



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دبي	DUBAI	Subject: Economics		Learning
	Free market, mixed and command economies	 opportunity cost (using marginal analysis) economic growth and decline. b) The distinction between movements along, and shifts in, production possibility frontiers, and their possible causes. d) The significance of capital goods for productivity and economic growth. Free market, mixed and command economies a) The distinction between free market, mixed and command economies. (Other aspects of this topic may be summarised at the end of the unit.) This provides an opportunity to consider/revise different economic systems a) The distinction between free market, mixed and command economic systems b) The advantages and disadvantages of free market and command economies c) The role of the state in a mixed economies 	By studying free market, mixed, and command economies, students will gain an understanding of different economic systems, their advantages, disadvantages, and the role of government in shaping economic outcomes. By studying free market, mixed, and command economies, students will gain a comprehensive understanding of the principles, strengths, weaknesses, and implications of different economic systems in terms of efficiency, equity, stability, and global interactions.	Deciding on the best course of action: assumptions of rational decision making underpin much economic theory. Evaluate data and economic issues to draw conclusions, which are consistent with evidence.
-	3 1.3.2 Consum behaviour an demand Rational decision mak	 a) The assumption of rationality in decision making: consumers aim to maximise utility by making rational choices; firms aim to maximise profits. b) Reasons why consumers may not aim to maximise utility: • the influence of other people's behaviour (herding) • habitual behaviour • inertia 	By studying rational decision making, students will develop the ability to critically analyze situations, consider alternative choices, evaluate costs and benefits, and make informed decisions based on logical reasoning and evidence.	Deciding on the best course of action: assumptions of rational decision making underpin much economic theory. Evaluate data and economic issues to draw conclusions, which are consistent with evidence.



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دبي	DUBAI		Subject: Economics		
		The demand curve	 poor computational skills the need to feel valued framing and bias. a) The concept of demand b) The distinction between movements along a demand curve and shifts of a demand curve c) The concept of diminishing marginal utility and its significance for the shape of the individual demand curve d) Factors that may cause a shift in the demand curve changes in the price of substitute or complementary goods changes in tastes changes in the size and age distribution of population advertising 	By studying the demand curve, students will be able to understand and analyze how changes in price and other factors influence consumer behavior, leading to a deeper comprehension of market dynamics and the relationship between price and quantity demanded.	Thinking critically about economics ideas and issues. Using various economic concepts and economic data to synthesise the information to make judgements. Finding solutions to economics -related problems, issues etc. Apply their understanding of theories and concepts of Economics and apply them to different contexts. Use mathematical formulas to solve problems related to economics.
	4	1.3.2 Consumer behaviour and demand Price elasticities of demand	 3 Price, income and cross elasticities of demand (continued) c) Interpretation of numerical values of price elasticity of demand: perfectly price elastic demand price elastic demand unitary price elastic demand price inelastic demand perfectly price inelastic demand. 	By studying price elasticities of demand, students will gain the ability to quantify and interpret the responsiveness of consumer demand to changes in price, allowing for informed decision- making regarding pricing strategies, market analysis, and forecasting.	Use a different or unexpected way to solve an economic problem, particularly those using calculations. This may involve rearranging formulas. Finding solutions to economics -related problems, issues etc. Apply their understanding of theories and concepts of Economics and apply them to different contexts. Use mathematical formulas to solve problems related to economics

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	5	1.3.2 Consumer behaviour and demand Price elasticities of demand	d) The factors influencing price elasticity of demand: •availability of substitutes •branding •percentage of total expenditure •addictiveness of product •durability of product.	y studying price elasticities of demand, students will gain the ability to quantify and interpret the responsiveness of consumer demand to changes in price, allowing for informed decision- making regarding pricing strategies, market analysis, and forecasting.	Use a different or unexpected way to solve an economic problem, particularly those using calculations. This may involve rearranging formulas. Finding solutions to economics -related problems, issues etc. Apply their understanding of theories and concepts of Economics and apply them to different contexts. Use mathematical formulas to solve problems related to economics
	6	1.3.2 Consumer behaviour and demand Income and cross-elasticities of demand	 e) How to calculate total revenue. f) How price elasticity of demand varies along a straight line demand curve. (Note: the significance of elasticities of demand to firms and the government, in terms of the imposition of indirect taxes and subsidies, could be taught following 1.3.4.4) g) The relationship between price elasticity of demand and total revenue. h) Interpretation of numerical values of income elasticity of demand: perfectly income elastic demand income inelastic demand perfectly income inelastic demand the distinction between normal goods and inferior goods. i) Interpretation of numerical values of cross elasticity of demand. Significance for the degree to which goods are: 	By studying income and cross- elasticities of demand, students will develop a comprehensive understanding of how changes in income and the prices of related goods impact consumer behavior, enabling them to analyze market dynamics, predict demand shifts, and make informed business decisions.	Finding solutions to economics -related problems, issues etc. Apply their understanding of theories and concepts of Economics and apply them to different contexts. Use mathematical formulas to solve problems related to economics. Use a different or unexpected way to solve an economic problem, particularly those using calculations. This may involve rearranging formulas.



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		 substitutes complements unrelated. j) The significance of price, income and cross-elasticities of demand for firms, consumers and the government. 		
7	1.3.3 Supply The supply curve	 a) The distinction between movements along a supply curve and shifts of a supply curve b) The factors that may cause a shift in the supply curve (the conditions of supply) 	By studying the supply curve, students will gain a deep understanding of how changes in price and other factors influence producer behavior, leading to an enhanced ability to analyze market dynamics, anticipate changes in supply, and make informed decisions regarding production and pricing strategies.	Use a different or unexpected way to solve an economic problem, particularly those using calculations. This may involve rearranging formulas. Finding solutions to economics -related problems, issues etc. Apply their understanding of theories and concepts of Economics and apply them to different contexts. Use
	Price elasticity of supply	 a) Equilibrium price and quantity and how they are determined b) The use of supply and demand diagrams to depict excess supply and excess demand c) The operation of market forces to eliminate excess demand and excess supply d) The use of supply and demand diagrams to show how shifts in demand and supply curves cause the equilibrium price and quantity to change in real- world situations 	By studying price elasticity of supply, students will acquire the ability to measure and interpret the responsiveness of producers to changes in price, enabling them to analyze market dynamics, predict supply adjustments, and make informed decisions related to production planning and resource allocation.	mathematical formulas to solve problems related to economics

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	ξ	3	1.3.4 Price determination Determination of market equilibrium	 a) The rationing, incentive and signalling functions of the price mechanism for allocating scarce resources b) The price mechanism in the context of different types of markets, including local, national and global markets 	By studying the determination of market equilibrium, students will develop the ability to analyze the interaction between supply and demand, identify the equilibrium price and quantity, and understand the significance of this equilibrium in terms of market efficiency and the allocation of resources.	Develop a fluency in technical economic terms and in using the supply and demand model in various circumstances.
	7.7)	1.3.4 Price determination Consumer and producer surplus	Consumer and producer surplus a) The distinction between consumer and producer surplus. b) How changes in demand or supply might affect consumer and producer surplus.	By studying consumer and producer surplus, students will gain the ability to quantify and analyze the welfare gains for consumers and producers resulting from market transactions, allowing them to evaluate the efficiency and distributional outcomes of economic activities.	Thinking critically about economics ideas and issues. Using various economic concepts and economic data to synthesise the information to make judgements.
F		10	1.3.4 Price determination Functions of the price mechanism Indirect taxes and subsidies	 a) The impact of indirect taxes on consumers, producers and the government. b) The incidence of indirect taxes on consumers and producers. c) The impact of subsidies on consumers, producers and the government. d) The incidence of subsidies on consumers and producers. 	By studying indirect taxes and subsidies, students will develop an understanding of how these policy instruments impact market outcomes, enabling them to evaluate the effects on consumer behavior, producer incentives, government revenue, and economic efficiency.	Thinking critically about economics ideas and issues. Using various economic concepts and economic data to synthesise the information to make judgements. Analysing economics scenarios, problems, issues, etc to identify constituent parts that are relevant to them. Looking at economic issues and offering developed responses that explore in detail a perspective. Consider economic issues using supply and demand to help analyse likely outcomes.

جیمس مـدرسـة فاوندرز دبي	Found DUBAI	ders School	Year: 12 Subject: Economics		High Performance Learning
	11	1.3.5 Market failure Sources of market failure	 1 Sources of market failure a) Why market failure occurs: too much or too little of a good is produced and/or consumed compared to the socially optimal level of output. b) Sources of market failure: externalities the free-rider problem; non-provision of public goods imperfect market information moral hazard 	By studying the sources of market failure, students will be able to identify and analyze situations where markets fail to allocate resources efficiently, enabling them to understand the necessity and potential effectiveness of government intervention and policy measures to address these failures.	Moral principles that govern the behaviour of individuals or economic agents. Appreciate ethical issues relating to economic issues.
		Positive and negative externalities	 speculation and market bubbles. 2 Positive and negative externalities a) The distinction between private benefits, external benefits and social benefits. b) The distinction between private costs, external costs and social costs. c) The distinction between: external benefits of production external benefits of consumption external costs of production external costs of consumption. d) The use of diagrams, using marginal analysis, to illustrate: the external benefits from consumption the external costs from production ethe external costs or gain areas. e) The impact of externalities in various contexts: 	By studying positive and negative externalities, students will develop the ability to identify, assess, and analyze the spillover effects of economic activities on third parties, allowing them to evaluate the implications for market efficiency and make informed decisions regarding policy interventions and corrective measures.	The notion that businesses and individuals need to act for the benefit of society at large. Appreciate ethical issues relating to economic issues.
			 e) The impact of externalities in various contexts: transport health 		





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	12	1.3.5 Market failure Non-provision of public goods Imperfect market information	 Non-provision of public goods a) The distinction between public and private goods: private goods: rival and excludable public goods: non-rival and non- excludable. b) Why public goods may not be provided by the private sector making reference to the free-rider problem. 	By studying the non-provision of public goods, students will gain an understanding of the challenges associated with the free-rider problem and the role of government intervention, enabling them to evaluate the necessity of collective action and alternative mechanisms for providing public goods in society.	The notion that businesses and individuals need to act for the benefit of society at large. Appreciate ethical issues relating to economic issues.
	13	1.3.5 Market failure Moral hazard	Moral hazard a) How moral hazard can occur. b) The impact of moral hazard on consumers, producers, workers and governments in: •insurance •banking.	By studying moral hazard, students will develop an understanding of how asymmetric information and the presence of insurance or guarantees can lead to changes in behavior and incentives, allowing them to analyze and propose measures to mitigate the associated risks and promote better decision- making.	The notion that businesses and individuals need to act for the benefit of society at large. Appreciate ethical issues relating to economic issues.
		Speculation and market bubbles	 a) How market bubbles may arise. b) The impact of market bubbles on consumers, producers, workers and governments in various contexts: housing stocks and shares. 	By studying speculation and market bubbles, students will gain an understanding of the dynamics behind excessive price fluctuations, asset valuation, and market instability, enabling them to evaluate the risks and impacts of speculative behavior and contribute to informed discussions on market regulation and risk management.	The notion that businesses and individuals need to act for the benefit of society at large. Appreciate ethical issues relating to economic issues

جیمس مـدرسـة فاوندرز دبي	Found Dubai	ders School	Year: 12 Subject: Economics		High Performance Learning
	14	 1.3.6 Government intervention in markets Purpose and methods of government intervention 	 a) The purpose of government intervention, including reference to market failure. b) Methods of intervention: •indirect taxation (ad valorem and specific) •subsidies •maximum and minimum (guaranteed) prices. •tradeable pollution permits •extension of property rights •state provision •regulation •provision of information. c) Contexts in which governments may intervene: •health •housing •education •transport •environment •energy •agriculture •commodities. a) 'Government failure' as intervention that results in a net welfare loss. 	By studying the purpose and methods of government intervention, students will develop the ability to assess the rationale for government involvement in the economy, understand various intervention strategies, and critically analyze the potential benefits, drawbacks, and implications of such interventions on market outcomes and societal welfare. By studying government failure, students will develop the ability to critically evaluate instances where	Thinking critically about economics ideas and issues. Using various economic concepts and economic data to synthesise the information to make judgements.
			 b) Causes of government failure: information gaps lack of incentives unintended consequences excessive administrative costs moral hazard. 	government intervention leads to unintended consequences, inefficiencies, or suboptimal outcomes, allowing them to identify and propose alternative approaches to address public policy challenges.	individuals need to act for the benefit of society at large. Appreciate ethical issues relating to economic issues.