



# Economics

Taking Economics is an investment in your financial literacy. It helps you make sense of the big questions you hear about every day – the cost of living, interest rates, climate change, taxes and government spending. You'll find out how YOU, the shops on your high street and businesses around the world are all linked through the global economy, from iPhones made in China to cars exported from the UK to the USA. Even if you're not sure what you want to do in the future, Economics is a subject that keeps options open. It is one of the fastest-growing and best-paid areas to study at university and leads into careers in finance, business, law, government, data analysis and many more.

**The course follows the AQA GCSE Economics (8136) specification and is split into two main themes:**

## **YEAR 1: HOW MARKETS WORK (*Paper 1 – 1 hour 45 minutes, 80 marks, 50% of GCSE*)**

You'll learn how individual markets operate and how firms and consumers make decisions.

1. Economic foundations – What is the purpose of economic activity? You'll study needs and wants, factors of production and why every choice has an opportunity cost.
2. Resource allocation – How are scarce resources shared out? You'll look at markets, factor and product markets, and how households and firms interact.
3. How prices are determined – Supply, demand, equilibrium and price elasticity, using real examples like petrol, housing and concert tickets.
4. Production, costs, revenue and profit – How businesses decide whether they're making enough money, and why productivity and economies of scale matter.
5. Competitive and concentrated markets – What happens when there are lots of firms competing – and what happens when there are only a few big players?
6. Market failure – When markets go wrong: pollution, inequality and other externalities, and how governments might step in to fix them.

## **YEAR 2: HOW THE ECONOMY WORKS (*Paper 2 – 1 hour 45 minutes, 80 marks, 50% of GCSE*)**

In Year 2, you zoom out to look at the whole UK and global economy.

7. Introduction to the national economy – Key measures like economic growth, inflation and unemployment, and what they tell us about how the UK is doing.
8. Government objectives – What is the government trying to achieve, and can it hit all its targets at once?
9. How the government manages the economy – Taxes, government spending, benefits and interest rates: how policy decisions affect households, firms and the wider economy.
10. International trade and the global economy – Why countries trade, how globalisation affects workers and businesses, and the pros and cons of free-trade agreements.
11. The role of money and financial markets – What money actually is, what banks and the Bank of England do, and why the financial sector matters for consumers, firms and the government.

### **Who can I speak to for more information?**

For further information about the course, please speak to Miss. Archer, Mr. Staniforth or Mr. Hulley or email [options@penistone-gs.uk](mailto:options@penistone-gs.uk).