1.1 Scarcity, choice and opportunity cost

Scarcity, choice and opportunity cost

- Can you explain the fundamental economic problem of scarcity?
- Can you explain why choices must be made at all levels: individuals, firms and governments?
- Can you define opportunity cost and explain how it arises from choices?
- Can you explain the basic questions of resource allocation: what to produce, how to produce and for whom to produce?

1.2 Economic methodology

Economic methodology

- Can you explain why economics is described as a social science?
- Can you distinguish between positive and normative statements (facts versus value judgements)?
- Can you explain the meaning of the term ceteris paribus?
- Can you explain the importance of the time period in economics: the short run, long run and very long run?

1.3 Factors of production

Factors of production

- Can you define the factors of production: land, labour, capital and enterprise?
- Can you distinguish between human capital and physical capital?
- Can you state the rewards to each factor of production (rent, wages, interest and profit)?
- Can you explain the division of labour and specialisation, including their advantages and disadvantages?
- Can you explain the role of the entrepreneur in contemporary economies, including risk-bearing and organising the other factors of production?

1.4 Resource allocation in different economic systems

Economic systems

- Can you explain how decisions are made in market, planned and mixed economies?
- Can you explain how resources are allocated in market, planned and mixed economies?

1.5 Production possibility curves

Production possibility curves

- Can you explain the nature and meaning of a production possibility curve (PPC)?
- Can you explain the shape of a PPC with constant opportunity costs (straight line) and increasing opportunity costs (concave to the origin)?
- Can you explain the causes and consequences of shifts in a PPC?
- Can you explain the significance of a position inside, on or outside a PPC?

1.6 Classification of goods and services

Classification of goods and services

- Can you define free goods and private (economic) goods?
- Can you define public goods and explain their characteristics of non-excludability and non-rivalry?
- Can you define merit goods and explain their under-consumption as a result of imperfect information?
- Can you define demerit goods and explain their over-consumption as a result of imperfect information?

2.1 Demand and supply curves

Demand and supply curves

- Can you define effective demand?
- Can you distinguish between individual and market demand and supply?
- Can you explain the determinants of demand?
- Can you explain the determinants of supply?
- Can you explain the causes of a shift in the demand curve?
- Can you explain the causes of a shift in the supply curve?
- Can you distinguish between a shift in a demand or supply curve and a movement along it?

2.2 Price, income and cross elasticity of demand

Definitions and calculation

- Can you define price elasticity of demand (PED), income elasticity of demand (YED) and cross elasticity of demand (XED)?
- Can you state the formulae for PED, YED and XED and use them in calculations?
- Can you explain the significance of the relative percentage changes and the size and sign of the PED coefficient?
- Can you explain the significance of the size and sign of the YED coefficient for normal, inferior and luxury goods?
- Can you explain the significance of the size and sign of the XED coefficient for substitutes, complements and unrelated goods?
- Can you describe elasticity values as perfectly elastic, (highly) elastic, unitary elasticity, (highly) inelastic and perfectly inelastic?
- Can you explain why PED varies along the length of a straight-line demand curve?

Factors and applications

- Can you explain the factors affecting PED?
- Can you explain the factors affecting YED?
- Can you explain the factors affecting XED?
- Can you explain the relationship between PED and total expenditure (total revenue) on a product?

Can you explain the implications of PED, YED and XED for decision-making by firms and governments?

2.3 Price elasticity of supply

Price elasticity of supply

Can you define price elasticity of supply (PES)?

Can you state the formula for PES and use it in calculations?

Can you explain the significance of the relative percentage changes and the size and sign of the PES coefficient?

Can you explain the factors affecting PES?

Can you explain the implications of PES for the speed and ease with which firms react to changed market conditions?

2.4 The interaction of demand and supply

The interaction of demand and supply

Can you define market equilibrium and disequilibrium?

Can you analyse the effects of shifts in demand and supply curves on equilibrium price and quantity?

Can you explain joint demand (complements) and alternative demand (substitutes)?

Can you explain derived demand and joint supply?

Can you explain the functions of price in resource allocation: rationing, signalling (transmission of preferences) and incentivising?

2.5 Consumer and producer surplus

Consumer and producer surplus

Can you explain the meaning and significance of consumer surplus?

Can you explain the meaning and significance of producer surplus?

Can you explain the causes of changes in consumer and producer surplus?

Can you explain how PED and PES determine the extent of changes in consumer and producer surplus?

3.1 Reasons for government intervention in markets

Reasons for government intervention

- Can you explain how government intervention addresses the non-provision of public goods?
- Can you explain how government intervention addresses the over-consumption of demerit goods and the under-consumption of merit goods?
- Can you explain why governments may intervene to control prices in markets?

3.2 Methods and effects of government intervention in markets

Methods and effects of intervention

- Can you analyse the impact and incidence of specific indirect taxes on consumers, producers and the government?
- Can you analyse the impact and incidence of subsidies on consumers, producers and the government?
- Can you explain the effects of direct provision of goods and services by the government?
- Can you analyse the effects of maximum prices and minimum prices?
- Can you explain how buffer stock schemes work and evaluate their effects?
- Can you explain the effects of government provision of information?

3.3 Addressing income and wealth inequality

Income and wealth inequality

- Can you distinguish between income as a flow concept and wealth as a stock concept?
- Can you explain how the Gini coefficient measures income and wealth inequality (calculation not required)?
- Can you explain the economic reasons for inequality of income and wealth?
- Can you evaluate the minimum wage as a policy to redistribute income?
- Can you evaluate transfer payments as a policy to redistribute income and wealth?
- Can you evaluate progressive income taxes, inheritance taxes and capital taxes as policies to redistribute income and wealth?

Can you evaluate state provision of essential goods and services as a policy to redistribute income and wealth?



4.1 National income statistics

National income statistics

- Can you explain the meaning of national income?
- Can you explain how national income is measured using Gross Domestic Product (GDP)?
- Can you explain Gross National Income (GNI) and Net National Income (NNI) and how they differ from GDP?
- Can you adjust measures of national income from market prices to basic prices?
- Can you adjust measures of national income from gross values to net values?

4.2 Introduction to the circular flow of income

Circular flow of income

- Can you explain the circular flow of income in a closed and an open economy, between households, firms, government and the international economy?
- Can you identify injections and leakages in the circular flow (multiplier not required)?
- Can you explain equilibrium and disequilibrium in the circular flow of income?

4.3 Aggregate demand and aggregate supply analysis

Aggregate demand

- Can you define aggregate demand (AD)?
- Can you state the components of AD, AD = C + I + G + (X - M), and explain their meanings?
- Can you explain the determinants of AD?
- Can you explain why the AD curve slopes downwards?
- Can you explain the causes of a shift in the AD curve?

Aggregate supply

- Can you define aggregate supply (AS)?
- Can you explain the determinants of AS?

- Can you explain the shape of the SRAS curve (upward sloping line or sweeping curve)?
- Can you explain the shape of the LRAS curve, either vertical or in three sections (highly elastic, upward sloping, vertical)?
- Can you explain the causes of shifts in the SRAS and LRAS curves?

Equilibrium in the AD/AS model

- Can you distinguish between a movement along and a shift in the AD and AS curves?
- Can you explain how equilibrium in the AD/AS model determines real output, the price level and employment?
- Can you analyse the effects of shifts in AD and AS on real output, the price level and employment?

4.4 Economic growth

Economic growth

- Can you explain the meaning of economic growth?
- Can you explain how economic growth is measured?
- Can you distinguish between growth in nominal GDP and growth in real GDP?
- Can you explain the causes of economic growth?
- Can you explain the consequences of economic growth?

4.5 Unemployment

Unemployment

- Can you explain the meaning of unemployment?
- Can you explain how unemployment is measured and the possible difficulties in measuring it?
- Can you explain the causes and types of unemployment: frictional, structural, cyclical, seasonal and technological?
- Can you explain the consequences of unemployment?

4.6 Price stability

Price stability

Can you define inflation, deflation and disinflation?	○ ○ ○
Can you explain how changes in the price level are measured using a consumer price index (CPI)?	○ ○ ○
Can you explain the possible difficulties in measuring changes in the price level?	○ ○ ○
Can you distinguish between money (nominal) values and real data?	○ ○ ○
Can you explain the causes of cost-push and demand-pull inflation?	○ ○ ○
Can you explain the consequences of inflation?	○ ○ ○

5.1 Government macroeconomic policy objectives

Macroeconomic policy objectives

Can you explain how government policy is used to achieve the macroeconomic objectives of price stability, low unemployment and economic growth?

5.2 Fiscal policy

Government budget

Can you explain the meaning of the government budget?

Can you distinguish between a government budget deficit and a government budget surplus?

Can you explain the meaning and significance of the national debt?

Taxation and government spending

Can you distinguish between direct and indirect taxes?

Can you distinguish between progressive, regressive and proportional taxes?

Can you calculate and explain marginal and average rates of taxation (mrt, art)?

Can you explain the reasons for taxation?

Can you distinguish between capital (investment) and current government spending?

Can you explain the reasons for government spending?

Expansionary and contractionary fiscal policy

Can you distinguish between expansionary and contractionary fiscal policy?

Can you use AD/AS analysis to show the impact of expansionary and contractionary fiscal policy on equilibrium national income, real output, the price level and employment?

5.3 Monetary policy

Monetary policy

Can you define monetary policy?

Can you explain the tools of monetary policy: interest rates, money supply and credit regulations?	○ ○ ○
Can you distinguish between expansionary and contractionary monetary policy?	○ ○ ○
Can you use AD/AS analysis to show the impact of expansionary and contractionary monetary policy on equilibrium national income, real output, the price level and employment?	○ ○ ○

5.4 Supply-side policy

Supply-side policy

Can you explain the meaning of supply-side policy in terms of its effect on the LRAS curve?	○ ○ ○
Can you explain the objectives of supply-side policy: increasing productivity and productive capacity?	○ ○ ○
Can you explain tools of supply-side policy, such as training, infrastructure development and support for technological improvement?	○ ○ ○
Can you use AD/AS analysis to show the impact of supply-side policy on equilibrium national income, real output, the price level and employment?	○ ○ ○

6.1 The reasons for international trade

Absolute and comparative advantage

- Can you distinguish between absolute and comparative advantage? ○ ○ ○
- Can you explain the benefits of specialisation and free trade (trade liberalisation), including using a trading possibility curve? ○ ○ ○
- Can you explain the limitations of the theories of absolute and comparative advantage? ○ ○ ○

Terms of trade

- Can you explain the meaning of exports and imports? ○ ○ ○
- Can you calculate the terms of trade? ○ ○ ○
- Can you explain the causes of changes in the terms of trade? ○ ○ ○
- Can you explain the impact of changes in the terms of trade? ○ ○ ○

6.2 Protectionism

Protectionism

- Can you explain the meaning of protectionism in the context of international trade? ○ ○ ○
- Can you analyse the impact of tariffs? ○ ○ ○
- Can you analyse the impact of import quotas? ○ ○ ○
- Can you explain the impact of export subsidies? ○ ○ ○
- Can you explain the impact of embargoes and excessive administrative burdens ('red tape')? ○ ○ ○
- Can you evaluate the arguments for and against protectionism? ○ ○ ○

6.3 Current account of the balance of payments

Current account of the balance of payments

- Can you explain the components of the current account: trade in goods, trade in services, primary income and secondary income? ○ ○ ○
- Can you define balance and imbalances (deficit and surplus) in the current account? ○ ○ ○

Can you calculate the balance of trade in goods, the balance of trade in services and the balance of trade in goods and services?	○ ○ ○
Can you calculate the current account balance (CAB)?	○ ○ ○
Can you explain the causes of imbalances in the current account?	○ ○ ○
Can you explain the consequences of current account imbalances for the domestic and external economy?	○ ○ ○

6.4 Exchange rates

Exchange rates

Can you define an exchange rate?	○ ○ ○
Can you explain how a floating exchange rate is determined?	○ ○ ○
Can you distinguish between depreciation and appreciation of a floating exchange rate?	○ ○ ○
Can you explain the causes of changes in a floating exchange rate in terms of the demand for and supply of the currency?	○ ○ ○
Can you use AD/AS analysis to show the impact of exchange rate changes on the domestic economy's equilibrium national income, real output, the price level and employment?	○ ○ ○

6.5 Policies to correct current account imbalances

Policies to correct current account imbalances

Can you explain the government policy objective of stability of the current account of the balance of payments?	○ ○ ○
Can you explain the effects of fiscal, monetary, supply-side and protectionist policies on the current account?	○ ○ ○

7.1 Utility

A-LEVEL ONLY

Utility

- Can you define and calculate total utility and marginal utility?
- Can you explain the law of diminishing marginal utility?
- Can you explain the equi-marginal principle?
- Can you derive an individual's demand curve using utility analysis?
- Can you evaluate the limitations of marginal utility theory, including its assumption of rational behaviour?

7.2 Indifference curves and budget lines

A-LEVEL ONLY

Indifference curves and budget lines

- Can you explain what an indifference curve and a budget line represent?
- Can you explain the causes of a shift in the budget line?
- Can you use indifference curves to explain the income, substitution and price effects for normal, inferior and Giffen goods?
- Can you evaluate the limitations of the indifference curve model?

7.3 Efficiency and market failure

A-LEVEL ONLY

Efficiency and market failure

- Can you define productive efficiency and allocative efficiency?
- Can you state the conditions for productive efficiency (output at minimum AC) and allocative efficiency (P = MC)?
- Can you explain Pareto optimality?
- Can you define dynamic efficiency?
- Can you define market failure?
- Can you explain the reasons for market failure?

7.4 Private costs and benefits, externalities and social costs and benefits

A-LEVEL ONLY

Social costs and benefits

- Can you define and calculate social costs as private costs plus external costs, using MSC, MPC and MEC?
- Can you define and calculate social benefits as private benefits plus external benefits, using MSB, MPB and MEB?

Externalities and information failure

- Can you define positive and negative externalities?
- Can you explain positive and negative externalities in consumption and in production using diagrams?
- Can you explain the deadweight welfare loss caused by externalities?
- Can you explain asymmetric information as a cause of market failure?
- Can you explain moral hazard?
- Can you use costs and benefits to analyse decision-making (net present value not required)?

7.5 Types of cost, revenue and profit, short-run and long-run production

A-LEVEL ONLY

Short-run production and costs

- Can you distinguish between fixed and variable factors of production in the short run?
- Can you define and calculate total, average and marginal product?
- Can you explain the law of diminishing returns (law of variable proportions)?
- Can you define and calculate fixed, variable, total, average and marginal costs (FC, VC, TC, AC, MC, ATC, TFC, AFC, TVC, AVC)?
- Can you explain the shape of the short-run AC and MC curves?

Long-run production and costs

- Can you explain that all factors of production are variable in the long run?
- Can you explain increasing, constant and decreasing returns to scale?

- Can you explain the shape of the long-run AC curve?
- Can you explain the meaning of minimum efficient scale?
- Can you explain the relationship between economies of scale and decreasing average costs?
- Can you identify and explain internal and external economies of scale?
- Can you identify and explain internal and external diseconomies of scale?

Revenue and profit

- Can you define and calculate total, average and marginal revenue?
- Can you define normal, subnormal and supernormal profit?
- Can you calculate supernormal and subnormal profit?

7.6 Different market structures

A-LEVEL ONLY

Types of market structure

- Can you explain perfect competition and imperfect competition, including monopoly, monopolistic competition, oligopoly and natural monopoly?
- Can you describe each market structure in terms of the number of buyers and sellers, product differentiation, freedom of entry and availability of information?
- Can you identify legal, market, cost and physical barriers to entry and exit?
- Can you define and calculate a concentration ratio?

Performance of firms

- Can you draw and explain the revenue curves of firms in different market structures?
- Can you analyse short-run and long-run output and profit in different market structures?
- Can you explain the short-run and long-run shutdown price?
- Can you derive a firm's supply curve in perfect competition?
- Can you analyse efficiency and X-inefficiency in the short run and long run in different market structures?
- Can you explain the features and implications of contestable markets?
- Can you explain price and non-price competition?
- Can you explain collusion in oligopoly and the Prisoner's Dilemma, using a two-player payoff matrix?

7.7 Growth and survival of firms

A-LEVEL ONLY

Growth and survival of firms

- Can you explain the reasons for different sizes of firms?
- Can you explain internal growth through organic growth and diversification?
- Can you distinguish between horizontal, vertical (forwards and backwards) and conglomerate integration through mergers and takeovers?
- Can you explain the reasons for integration?
- Can you explain the consequences of integration?
- Can you explain the conditions for an effective cartel?
- Can you explain the consequences of a cartel?
- Can you explain the principal-agent problem arising from the differing objectives of owners and managers?

7.8 Differing objectives and policies of firms

A-LEVEL ONLY

Objectives of firms

- Can you explain the traditional objective of profit maximisation (MC = MR)?
- Can you explain the alternative objectives of survival, profit satisficing, sales maximisation and revenue maximisation?

Pricing policies

- Can you explain first-, second- and third-degree price discrimination?
- Can you explain the conditions necessary for effective price discrimination and its consequences?
- Can you explain limit pricing, predatory pricing and price leadership?
- Can you explain the relationship between PED and revenue for a normal downward-sloping demand curve and for a kinked demand curve?

8.1 Policies to achieve efficient resource allocation and correct market failure

A-LEVEL ONLY

Correcting market failure

- Can you evaluate specific and ad valorem indirect taxes as measures to correct market failure?
- Can you evaluate subsidies and price controls as measures to correct market failure?
- Can you evaluate production quotas, prohibitions and licences?
- Can you evaluate regulation and deregulation?
- Can you evaluate direct provision of goods and services?
- Can you evaluate pollution permits and the extension of property rights?
- Can you evaluate nationalisation and privatisation?
- Can you evaluate provision of information as a measure to correct market failure?
- Can you explain behavioural insights and nudge theory as a method of intervention?

Government failure

- Can you define government failure in microeconomic intervention?
- Can you explain the causes and consequences of government failure in microeconomic intervention?

8.2 Equity and redistribution of income and wealth

A-LEVEL ONLY

Equity and redistribution

- Can you distinguish between equity and equality?
- Can you distinguish between equity and efficiency?
- Can you distinguish between absolute poverty and relative poverty?
- Can you explain the poverty trap?
- Can you evaluate negative income tax as a policy towards equity and equality?
- Can you evaluate universal benefits and means-tested benefits?
- Can you evaluate universal basic income as a policy towards equity and equality?

8.3 Labour market forces and government intervention

A-LEVEL ONLY

Demand for labour

- Can you explain why the demand for labour is a derived demand?
- Can you explain the factors affecting the demand for labour in a firm or occupation?
- Can you explain the causes of shifts in and movements along the demand curve for labour?
- Can you define and calculate marginal revenue product (MRP) and use it to derive a firm's demand for labour?

Supply of labour and wage determination

- Can you explain the wage and non-wage factors affecting the supply of labour to a firm or occupation?
- Can you explain the causes of shifts in and movements along the supply curve of labour?
- Can you explain wage and employment determination in a perfectly competitive labour market?
- Can you analyse the influence of trade unions on wages and employment in imperfect labour markets?
- Can you analyse the effect of a national minimum wage on wages and employment?
- Can you analyse how a monopsony employer determines wages and employment?
- Can you explain how labour market forces lead to wage differentials?
- Can you define transfer earnings and economic rent and explain the factors affecting them in an occupation?

9.1 The circular flow of income

A-LEVEL ONLY

The multiplier

- Can you define the multiplier and explain the multiplier process?
- Can you calculate the multiplier in a closed and open economy, with and without a government sector?
- Can you calculate APS, MPS, APC, MPC, APM, MPM, ART and MRT?
- Can you explain national income determination using AD and the income approach?
- Can you calculate the effect of a change in AD on national income using the multiplier?

Components of AD and equilibrium

- Can you explain autonomous and induced consumption and savings and their determinants?
- Can you explain autonomous and induced investment, including the accelerator?
- Can you explain the determinants of government spending and net exports?
- Can you explain the relationship between full employment and equilibrium national income?
- Can you explain inflationary and deflationary gaps?

9.2 Economic growth and sustainability

A-LEVEL ONLY

Growth and the business cycle

- Can you distinguish between actual and potential growth in national output?
- Can you explain positive and negative output gaps?
- Can you explain the phases and causes of the business (trade) cycle?
- Can you explain the role of automatic stabilisers in the business cycle?
- Can you evaluate policies to promote economic growth?

Inclusive and sustainable growth

- Can you define inclusive growth and explain its impact on equity and equality?
- Can you evaluate policies to promote inclusive growth?
- Can you define sustainable growth and explain the use and conservation of resources?

Can you explain the impact of growth on the environment and climate change, and evaluate policies to mitigate it?

9.3 Employment and unemployment

A-LEVEL ONLY

Employment and unemployment

Can you define full employment?

Can you explain equilibrium and disequilibrium unemployment, including hysteresis?

Can you distinguish between voluntary and involuntary unemployment?

Can you define the natural rate of unemployment and explain its determinants and policy implications?

Can you describe patterns and trends in employment and unemployment?

Can you explain geographical and occupational mobility of labour and the factors affecting it?

Can you evaluate policies to reduce unemployment?

9.4 Money and banking

A-LEVEL ONLY

Money and the money supply

Can you define money and explain its functions and characteristics?

Can you define the money supply?

Can you explain the quantity theory of money (MV = PT)?

Commercial banks and the central bank

Can you explain the functions of commercial banks, including deposit accounts (demand deposits and savings) and lending (overdrafts and loans)?

Can you explain how commercial banks hold or provide cash, securities, loans, deposits and equity?

Can you explain the reserve ratio and the capital ratio?

Can you explain the conflicting objectives of liquidity, security and profitability for commercial banks?

Can you explain credit creation by commercial banks and calculate the bank credit multiplier?

Can you explain how the central bank, government deficit financing, quantitative easing and changes in the balance of payments cause changes in the money supply in an open economy?

Inflation and interest rates

Can you evaluate policies to reduce inflation?

Can you explain the liquidity preference theory of the demand for money?

Can you explain interest rate determination using loanable funds theory and Keynesian theory?

10.1 Government macroeconomic policy objectives

A-LEVEL ONLY

Macroeconomic policy objectives

- Can you explain the macroeconomic objectives of controlling inflation, balance of payments stability, low unemployment and economic growth?
- Can you explain the objectives of development, sustainability and redistribution of income and wealth?

10.2 Links between macroeconomic problems and their interrelatedness

A-LEVEL ONLY

Links between macroeconomic problems

- Can you explain the relationship between the internal value of money (domestic prices) and the external value of money (exchange rate)?
- Can you explain the relationship between the balance of payments and inflation?
- Can you explain the relationship between economic growth and inflation?
- Can you explain the relationship between economic growth and the balance of payments?
- Can you explain the relationship between inflation and unemployment using the traditional Phillips curve?
- Can you explain the expectations-augmented Phillips curve in the short run and long run?

10.3 Effectiveness of policy options to meet all macroeconomic objectives

A-LEVEL ONLY

Effectiveness of policy options

- Can you evaluate the effectiveness of fiscal policy, including Laffer curve analysis, in meeting macroeconomic objectives?
- Can you evaluate the effectiveness of monetary policy in meeting macroeconomic objectives?
- Can you evaluate market-based and interventionist supply-side policies in meeting macroeconomic objectives?
- Can you evaluate exchange rate policy and international trade policy in meeting macroeconomic objectives?

Can you explain the problems and conflicts arising from the outcomes of macroeconomic policies?

Can you explain the existence of government failure in macroeconomic policies?

11.1 Policies to correct disequilibrium in the balance of payments

A-LEVEL ONLY

Balance of payments policies

- Can you explain the components of the balance of payments: current account, financial account and capital account?
- Can you analyse the effects of fiscal, monetary, supply-side, protectionist and exchange rate policies on the balance of payments?
- Can you distinguish between expenditure-switching and expenditure-reducing policies?

11.2 Exchange rates

A-LEVEL ONLY

Exchange rates

- Can you distinguish between nominal and real exchange rates?
- Can you explain trade-weighted exchange rates?
- Can you explain how exchange rates are determined in fixed and managed systems?
- Can you distinguish between revaluation and devaluation of a fixed exchange rate?
- Can you explain how exchange rates change under different exchange rate systems?
- Can you analyse the effects of exchange rate changes on the external economy using the Marshall-Lerner condition and the J-curve?

11.3 Economic development

A-LEVEL ONLY

Classification and indicators

- Can you classify economies by their level of development?
- Can you classify economies by their level of national income?
- Can you explain monetary indicators of living standards (real GDP, GNI and NNI per capita, purchasing power parity) and the problems of comparing them?
- Can you explain non-monetary indicators of living standards and development?
- Can you explain composite indicators: the Human Development Index (HDI), Measure of Economic Welfare (MEW) and Multidimensional Poverty Index (MPI)?
- Can you explain the Kuznets curve?

Can you compare economic growth rates and living standards over time and between countries?

11.4 Characteristics of countries at different levels of development

A-LEVEL ONLY

Population

Can you explain how birth rate, death rate, infant mortality and net migration are measured and the causes of changes in them?

Can you explain the concept of optimum population?

Can you explain urbanisation and its causes and effects?

Income distribution and economic structure

Can you calculate the Gini coefficient and use Lorenz curve analysis?

Can you explain the distribution of employment between the primary, secondary and tertiary sectors at different levels of development?

Can you explain patterns of trade for countries at different levels of development?

11.5 Relationship between countries at different levels of development

A-LEVEL ONLY

Aid, trade and investment

Can you explain the forms of international aid and the reasons for giving it?

Can you explain the effects and importance of international aid?

Can you explain trade and investment between countries at different levels of development?

Can you define a multinational company (MNC) and explain its activities and consequences?

Can you define foreign direct investment (FDI) and explain its consequences?

Debt and international institutions

Can you explain the causes and consequences of external debt?

Can you explain the role of the International Monetary Fund (IMF)?

Can you explain the role of the World Bank?

11.6 Globalisation

A-LEVEL ONLY

Globalisation

- Can you explain the meaning, causes and consequences of globalisation? ○ ○ ○
- Can you distinguish between a free trade area, customs union, monetary union and full economic union? ○ ○ ○
- Can you explain trade creation and trade diversion? ○ ○ ○