



	Theme	Overview of key learning to take place	How learning will be assessed
Term 3	Past Paper Practice	<p>Key Topic 1: Basic economic ideas and resource allocation</p> <ul style="list-style-type: none"> a) I can explain the fundamental economic problem. b) I can explain the meaning of scarcity and the inevitability of choices at all levels (individual, firms, governments) c) I can explain the meaning of the term, ‘ceteris paribus’. d) I can differentiate between the facts and value judgements, positive and normative statements. e) I can analyse the decision making in market, planned and mixed economies. f) I can draw and interpret the Production possibility curves, shape and shifts of the curve, constant and increasing opportunity costs. g) I can explain the functions and characteristics in a modern economy such as barter, cash and bank deposits, cheques, near money, liquidity. h) I can classify free goods, private goods (economic goods) and public goods and explain merit goods and demerit goods as the outcome of imperfect information by consumers. <p>Key Topic 2: The price system and the micro economy</p> <ul style="list-style-type: none"> a) I can draw and explain the demand curves: effective demand individual and market demand and supply and explain the factors influencing demand and supply. b) I can explain the meaning and calculation of elasticity of demand, the range of elasticities of demand, and the factors affecting elasticity of demand, the implications for revenue and business decisions of price, income, and cross-elasticities of demand. c) I can explain the meaning of equilibrium and disequilibrium, effects of changes in supply and demand on equilibrium price and quantity, applications of demand and supply analysis. 	<p>What is the style of the assessment? Formative: Students’ performance will be assessed as per the CIE Economics syllabus. Which will include homework assignments, quizzes, and class work activities, based on topical past papers which allows the teacher to assess the students’ attainment by doing diagnostic marking.</p> <p>Revision of past paper: May/June 2019 March 2019 May/June 2020 March 2020</p> <p>Summative: At the end of each term, we complete internal and standardised tests. This allows teacher to measure the students’ progress throughout the term/ year as per the CIE Economics syllabus requirement.</p>

- d) I can explain the movements along and shifts of the demand and supply curves, joint demand (complements) and alternative demand (substitutes), the workings of the price mechanism; rationing, signalling and the transmission of preferences.
- e) I can explain the meaning and significance of consumer and producer surplus and how these are affected by changes in equilibrium price and quantity.

Key Topic 3: Government microeconomic intervention

- a) I can explain the maximum and minimum price: meaning and effect on the market.
- b) I can identify different types of taxation: impact and incidence of taxes, specific and ad valorem taxes, average and marginal rates of taxation, proportional, progressive, and regressive taxes, and the Canons of Taxation.
- c) I can explain the meaning and analyse the effect of subsidies, transfer payments, direct provision of goods and services, nationalisation, and privatisation.

Key topic 4: The macro economy

- a) I can explain the concepts of aggregate demand and aggregate supply: the shape and determinants of AD and AS curves; $AD = C + I + G + (X - M)$ • the distinction between a movement along and a shift in AD and AS • the interaction of AD and AS and the determination of the level of output, prices, and employment.
- b) I can define inflation; degrees of inflation and the measurement of inflation; deflation and disinflation • the distinction between money values and real data • the causes of inflation (cost-push and demand-pull inflation) • the consequences of inflation.
- c) I can list, explain, and analyse the components of the balance of payments accounts (using the IMF/OECD definition): current account; capital and financial account; balancing item • meaning of balance of payments equilibrium and disequilibrium • causes of balance of payments disequilibrium in each component of the accounts •

consequences of balance of payments disequilibrium on domestic and external economy.

- d) I can explain how measurement of exchange rates are performed – nominal, real, trade-weighted exchange rates • the determination of exchange rates – floating, fixed, managed float • the factors underlying changes in exchange rates.
- e) I can analyse the effects of changing exchange rates on the domestic and external economy using AD, Marshall-Lerner, and J curve analysis • depreciation/appreciation • devaluation/revaluation.
- f) I can identify the ways to measure the terms of trade • causes of changes in the terms of trade • the impact of changes in the terms of trade.
- g) I can differentiate between absolute and comparative advantage, free trade area, customs union, monetary union, full economic union • trade creation and trade diversion • the benefits of free trade, including the trading possibility curve.
- h) I can explain the meaning of protectionism in the context of international trade • different methods of protection and their impact, for example, tariffs, import duties and quotas, export subsidies, embargoes, voluntary export restraints (VERs) and excessive administrative burdens ('red tape') • the arguments in favour of protectionism.

Key Topic 5: Government macroeconomic intervention

- a) I can explain the different types of policy: fiscal policy, monetary policy, and supply side policy and instruments of each policy.
- b) I can explain the Policies to correct balance of payments disequilibrium • assessment of the effectiveness of fiscal, monetary and supply side policies to correct a balance of payments disequilibrium • expenditure-reducing and expenditure switching.
- c) I can explain and analyse the Policies to correct inflation and deflation • assessment of the effectiveness of fiscal, monetary and supply side policies to correct inflation and deflation

