

**SOUTH PACIFIC BOARD
FOR
EDUCATIONAL ASSESSMENT**



**Pacific Senior Secondary
Certificate**

ECONOMICS

Prescription

Form 6

Effective from January 2010

PACIFIC SENIOR SECONDARY CERTIFICATE

Economics

Content	Page
Preamble	1
General Aims	1
General Outcomes	1
Specific Outcomes	1
Course Structure	
Learning Outcomes	2
<i>Section I Basic Economic Concepts</i>	2
<i>Section II Money</i>	3
<i>Section III International Trade and Payments</i>	4
<i>Section IV Economic Functions of Government</i>	5
<i>Section V Economic Development</i>	6
Assessment	7
<i>External Assessment</i>	7
<i>Internal Assessment</i>	8
Moderation	9
Internal Assessment Components	9
Major Tasks	9
Marking Scheme for Research Project	10
Minor Tasks	12
Marking Scheme for Minor Task 1	13
Marking Scheme for Minor Task 2	14
Advisory Section	16
Appendix – Possible topics for Research Project	17
Suggested Teaching Programme	18
I.A. Summary Form	22

Effective as from January 2010

ECONOMICS

Preamble

Economics is the study of why and how individuals or groups choose to allocate and manage scarce resources to satisfy their needs and unlimited wants.

General Aim

The course is designed to give students an understanding of basic economic concepts and to explore economic issues affecting a variety of economic environments. In so doing, it enables students to be aware of the changing nature of the economic environment and to take an effective part in economic activity and to contribute to economic well being.

General Outcomes

Students should:

1. Demonstrate the *thinking skills* of recall of knowledge, selection of data, comprehension, processing of information, and evaluation of economic concepts and issues through:
 - defining the concepts and issues
 - interpreting and analysing statistical data
 - identifying the causes
 - understanding the effects
 - evaluating the impact of government policies.
2. Use *statistical and investigative skills* to develop an understanding of their economic environment and to explore the impact of the economic issues that affect them.
3. Recognise the significance of different *attitudes and values* which influence the choices that are made in allocating and managing resources.

Specific Outcomes

Each part of the prescription is written in the form of specific objectives, i.e. the knowledge students are expected to acquire and the ways they can be expected to use that knowledge.

Course Structure

Learning Outcomes

SECTION I BASIC ECONOMIC CONCEPTS

1. Students should be able to:
 - (a) define, describe and apply the economic concepts to all relevant later parts of the prescription:
Coverage:
 - (i) scarcity, choice, opportunity cost
 - (ii) specialisation, production, interdependence, exchange, markets
 - (iii) economies and diseconomies of scale, increasing, diminishing and constant returns
 - (b) construct, analyse and use the production possibility curves to explain the relationship of some of the above concepts
 - (c) use the circular flow diagrams to illustrate the relationship of some of the above concepts

2. Students should be able to:
 - (a) distinguish between factor markets and goods markets, and between derived demand and final demand.
 - (b) identify the features of the following types of market and categorise markets according to their features:
 - (i) perfect competition
 - (ii) monopsony, monopolistic competition, duopoly, oligopoly and monopoly as examples of imperfect competition

3. Students should be able to:
 - (a) construct demand and supply graphs from schedules
 - (b) derive demand and supply schedules from graphs
 - (c) identify equilibrium price from graphs and schedules
 - (d) identify and describe situations of shortages and surpluses and their causes
 - (e) distinguish between the effect of a price change (movement along a curve) and a change in other conditions (shifts of the curve) on a demand graph and on a supply graph
 - (f) make simple calculations of consumer spending, market revenue etc. given a demand and supply schedule or graph.
 - (g) differentiate between market and aggregate supply and demand.

***NOTE:** in the examination, students will not be required to deal with more than one change at a time to the underlying conditions of supply and demand.*

4. Students should be able to:
 - (a) define and identify common examples of factors of production (natural resources, human resources, man made resources, entrepreneurship)
 - (b) define and identify common examples of factor incomes (rent, wages, interest, profit as economic returns to the above factors)
 - (c) define and distinguish between the concept of GNI, GNE, GDP (nominal and real GDP), and real GDP per capita as measures of circular flows
 - (d) make simple calculations of nominal GDP, real GDP, real GDP per capita and economic growth.
 - (e) identify and describe the components of a simple aggregate demand and aggregate supply.

SECTION II MONEY

1. Students should be able to:
 - (a) define and apply the functions of money
 - (b) define and apply the characteristics (features, qualities) of money
 - (c) describe and calculate common measures and components of the money supply
 - (d) describe and identify example of the functions of central banks, commercial banks and development banks.
2. Students should be able to use the quantity theory of money ($MV = PT$) to illustrate the relationship between the supply of money, and prices.
3. Students should be able to describe the separate effect on the money supply of each of the following:
 - (a) government borrowing - from the central bank, from the public and from overseas
 - (b) foreign aid
 - (c) remittances
 - (d) lending by commercial banks (OMO, interest rates, credit creation, RAR, moral suasion)

***NOTE:** students will not be expected to have any understanding of the money multiplier, and the examination will not ask question involving calculations of the likely effects of any of 3(a) - (d) on the money supply, and a knowledge of banks' balance sheets is not required.*

4. Students should be able to:
 - (a) define inflation
 - (b) calculate the rate of inflation from published CPI figures, interpret the trend over time, and describe the procedures used to construct the consumer price index.
 - (c) identify and describe the causes of demand pull and cost push inflation
 - (d) identify, describe and explain the effects of inflation.
 - (e) identify policies to combat inflation

SECTION III INTERNATIONAL TRADE AND PAYMENTS

1. Students should be able to:
 - (a) apply the concepts of opportunity cost, comparative advantage, specialisation, exchange, markets and gains from trade to international trade
 - (b) describe and distinguish between absolute and comparative advantage, terms of trade and gains from trade
 - (c) use simple mathematical examples to illustrate comparative advantage and gains from trade following specialisation

2. Students should be able to:
 - (a) define exchange rate
 - (b) describe and distinguish between strong and weak international currencies
 - (c) calculate foreign exchange rates
 - (d) describe and distinguish between special features of managed and flexible exchange rates
 - (e) identify and explain reasons for revaluation/devaluation and appreciation/depreciation
 - (f) identify and explain the effects of revaluation/devaluation and appreciation/depreciation on exports, imports and Balance of Payments

3. Students should be able to:
 - (a) identify and distinguish between components of the balance of visibles (trade) and invisibles, balance of payments, current account, capital account, foreign reserves
 - (b) calculate the balance of visibles (trade) and invisibles, balance of payments, current account, capital account and foreign reserves
 - (c) explain the effects on the economy of a current account deficit and surplus
 - (d) explain the reasons for the following trade restrictions (quotas, tariffs, regulation, ban, subsidies and embargoes)
 - (e) identify and explain the reasons for and against free trade and protectionism
 - (f) explain the effects of trade restrictions
 - (g) explain the importance of remittances, foreign aid and foreign investment
 - (h) evaluate and explain the trend in the balance of payments of the student's own economy including major trading partners, main commodities and services traded (imports and exports), the main components of the current account and capital account
 - (i) identify and explain the current problems faced in regards to balance of payments

4. Students should be able to:
 - (a) identify and describe the importance of marketing agencies and boards
 - (b) identify regional trade agreements
 - (c) describe the role of the IMF and WTO on trade in the Pacific

SECTION IV ECONOMIC FUNCTIONS OF GOVERNMENT

1. Students should be able to:
 - (a) identify and describe the economic functions of Government
 - (b) identify and describe sources of Government revenue and major areas of Government expenditure
 - (c) explain the aims of the Government's budget
 - (d) analyse the Government budget of the student's own country

2. Students should be able to:
 - (a) identify and describe economic issues

Coverage:

 - (i) employment
 - (ii) growth
 - (iii) trade
 - (iv) inflation
 - (v) inequality
 - (b) identify and describe economic aims

Coverage:

 - (i) full employment
 - (ii) economic growth and development
 - (iii) favourable balance of payments
 - (iv) price stability
 - (v) economic welfare
 - (vi) fair income distribution

3. Students should be able to:
 - (a) identify and describe measures that Governments can use to address the economic issues

Coverage:

 - (i) different tax methods
 - (ii) flexible working week, retirement age, hours of work
 - (iii) interest controls, control of the money supply through the reserve asset ratio
 - (iv) Government security issues and moral suasion, price control, wage control
 - (v) exchange rate policy (revaluation/devaluation), export subsidies, import restrictions, trade agreements
 - (vi) foreign aid, foreign investment, subsidized production
 - (vii) welfare and transfer payments, provision of public goods and services, Government spending, minimum wage rates.
 - (d) describe how the measures can address the economic issues
 - (e) identify the measures as monetary, fiscal or "other" measures
 - (f) explain how the measures that address one issue will have an impact on the other issues.

SECTION V ECONOMIC DEVELOPMENT

1. Students should be able to:

- (a) define economic development
- (b) identify and describe the characteristics of developing countries and compare them with those of developed countries

Coverage:

- (i) age structure of population including birth rate, death rate, life expectancy and migration.
 - (ii) ratio of man-made resources to labour force
 - (iii) proportion of GDP saved and invested each year
 - (iv) levels of education and health including literacy rates
 - (v) proportion of labour force in primary, secondary and tertiary industry and their contribution to GDP
 - (vi) composition of imports and exports
 - (vii) GDP per capita
 - (viii) savings and investment to GDP
 - (ix) ratio of remittances to GDP
 - (x) foreign investment to GDP
 - (xi) Human Development Index (HDI)
- (c) use simple mathematical calculations to illustrate some of the characteristics of developing countries relative to those of developed countries

2. Students should be able to:

- (a) evaluate the development of the student's country economy by reference to the characteristics of developing countries in 1 above
- (b) identify the major components of national income and expenditure and describe recent trends
- (c) identify and discuss the potential for development in the economy
- (d) discuss Government measures to increase development of the economy
- (e) identify international agencies which aid development in the Pacific region and describe their importance

Assessment

The assessment of this prescription is in two parts (internal and external assessment), and is made up of the following assessment components:

External Assessment (60%)

Assessment Component: External Examination

Internal Assessment (40%)

Major Task – Research Project (20%)

Minor Task 1 – Present and analyse economic data (10%)

Minor Task 2 – Use a written source of an economic issue or event (10%)

External Assessment

The Examination

The end-of-year examination will be in written form and will test a range of knowledge and skill objectives specified in this prescription. All sections will be represented in the examination.

The examination will be one three hour paper marked out of 200 marks.

The examination will contain no essays or reports, but may require paragraphs of 3 – 5 lines. Students will not be required to recall any statistical data in the examination.

The weightings in the examination on the externally assessed parts of the prescription shall be as below:

<u>Sections</u>	<u>%</u>
Section I	16
Section II	10
Section III	12
Section IV	14
Section V	8
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Total	60

Internal Assessment

One major and two minor internal assessment tasks will be completed by every student. These tasks allow for some flexibility of approach but must follow the specified rules of structure and content. Teachers will assess the product of students' work resulting from these tasks using detailed marking schedules as provided in this prescription. The tasks, weightings and suggested class-time are as follows:

Task	Weighting (%)	Suggested Class-time
Major Task – Research Project	20	10 – 12 hours
Minor Tasks		
1. Presentation and analysis of economic data	10	6 – 8 hours
2. Using a written source of an economic issue or event	10	6 – 8 hours

It is recommended that the minor tasks are completed before the major task is started by July 1st.

Schools that intend enrolling students in PSSC Economics must submit for approval a completed "PSSC Internal Assessment Summary Form" by March 1st in the year of enrolment. These forms will be provided by the SPBEA.

A PSSC Economics Internal Assessment Programme must include details of the assessment tasks and procedures, descriptions of within school moderation of internal assessments if there is more than one class and more than one school involved.

Clear records and documentation regarding the school's approved PSSC Internal Assessment programme must be kept. All students' work that have been assessed under this programme must be available for verification by verifiers and SPBEA officers during any one school year.

Students who will be enrolled in PSSC Economics must be given a copy of the school's Internal Assessment programme for the subject as well as a copy of the marking scheme for each task. Each student must be informed of when assessment tasks are to be given, and be notified of the assessment result as soon as it is marked. Students should also be advised that such results are subject to further changes as a result of moderation.

Schools must submit a mark for each of the three assessment components:

Major Topic – Research Project	out of 60
Minor Tasks	
a. Present and analyse economic data	out of 20
b. Use a written source of an economic issue or event	out of 20

Moderation

Moderation is a process to ensure fair, valid and consistent assessment. It is to ensure that the assessment of students' performance in the same subject is comparable between classes (in the same school) and between schools.

The moderation process is subject to the requirements and procedures of the Board.

The major task will be sample moderated by subject moderators. The sample for moderation will be taken from a list of students covering a range of marks. Details of how the sample is to be selected will be provided by SPBEA. The two minor tasks will be statistically moderated against a combination of the external examination and the major task.

Internal Assessment Components

Major Task – The Research Project

Students are to choose a specific research question, under teacher guidance, from a research topic. The availability of relevant resources and information, and the timing of topics in the teaching programme are important considerations. See the Appendix for examples of possible topics.

The topic of the Research Project will be based on an investigation of a current economic issue within the student's environment. The economic issue could relate to any section or combination of sections in the prescription.

The research project is to include the following stages:

- a. planning (including identifying the specific research question)
- b. collecting and sorting of data
- c. processing including analysis and interpretation of data
- d. presentation of the project including the written report

Once the topic has been identified and the specific question chosen, time should be spent on planning the project with teacher guidance. Teachers must ensure that the research project is completed by end of July and samples sent to country agent by August 16.

The investigation will include:

1. Identifying and describing the issue. This is to include collecting and presenting information and data. The presentation should include graphs, tables and other non-written materials as well as written material. The sources of the information must be identified.
2. Identifying and describing the **impacts of the issue** on the various sectors of the economy including the social and economic effects. This is to include collecting and presenting information and data. The presentation should include graphs, tables and other non-written material as well as written material. The sources of the information must be identified.
3. Identifying and describing the measures **that are being** taken to address the issue. The sources of the information must be identified.

4. Describing the consequences of the measures **being** taken on the various sectors of the economy.
5. Drawing conclusions about the nature and importance of the issue and **making recommendations on how the issue can be addressed**. This is to include any of student's own solutions, analysis, recommendations or predictions.

Part 5 will be in the form of a report based on the information gathered from parts 1 to 4. The report is to be a comprehensive, summative piece of writing with reasoned conclusions and can include graphs and tables and other forms of presentation of information as appropriate. The report is to be written unsupervised and should be about 400 words in length. The report must be the students' own work.

Sighting and signing off of the work should be done by the teacher at the end of each stage of the project. The teacher needs to assess the students' work at the end of each stage of the project. The teacher may offer advice on the completed work at the end of part 4 to assist the student in the development of the report.

Teachers need to:

- Compile a list of possible research topics for students to choose from.
- Assist the student in the choice of their research topic and specific question they intend to research.
- Suggest sources of information and data the students may use.
- Supply students with strategies on how to carry out research, including possible pitfalls and how to avoid them.
- Mark parts 1 – 4 before the students write the report.
- Sight and sign off the student work at the end of each part.
- Prepare a time-line for the completion of the project.

Mark Allocation

Identifying and describing the issue	12 marks
Identifying and describing the impacts of the issue on the various sectors of the economy including the social and economic effects	12 marks
Identifying and describing the measures	7 marks
Describing the consequences	7 marks
Drawing conclusions and making recommendations of how the the issue can be addressed	14 marks
Overall presentation and acknowledgements	<u>8 marks</u>
Total	<u>60 marks</u>

Marking Scheme for the Research Project

1. Identifying and describing the economic issue (12 marks)

Identification of the issue (2 marks)

- | | | |
|---------|-----------|-----------------------------------|
| 2 marks | Excellent | - the issue is clearly identified |
| 0 | None | - the issue is not identified |

Collection of the data (3 marks)

- | | | |
|---------|-----------|--|
| 3 marks | Excellent | - data collected is appropriate and relates clearly to the issue and is in various forms |
| 2 marks | Good | - data collected relates to the issue |
| 1 mark | Limited | - some data has been collected |
| 0 | None | - no data collected |

Description of the issue (4 marks)

4 marks	Excellent	- the issue is clearly described using a range of non-written material to supplement a well written and presented description
2 marks	Good	- the issue is adequately described with some non-written material used to supplement the writing
1 mark	Limited	- a brief description only
0	Poor	- inadequate description

Presentation (2 marks)

2 marks	Excellent	- clear presentation
1 mark	Limited	- adequate presentation
0	Poor	- poor presentation

Sources of information (1 mark)

1 mark	Excellent	- sources of information are identified
0	Poor	- no identification

2. Identifying and describing the impact of the economic issue (12 marks)

Identification of the impact (3 marks x 3 impact)

3 marks	Excellent	- impact is clearly identified and described using relevant non written materials
2 marks	Good	- impact is adequately identified and described using relevant non written materials
1 mark	Limited	- brief description only
0	None	- no impact identified

Presentation (2 marks)

2 marks	Excellent	- clear presentation
1 mark	Limited	- adequate presentation
0	Poor	- poor presentation

Sources of information (1 mark)

1 mark	Excellent	- sources of information are identified
0	Poor	- no identification

3. Identifying and describing the measures being taken (7 marks)

Description of the measures (2 marks x 3 measures)

2 marks	Excellent	- the measure is clearly described
1 mark	Adequate	- the measure is adequately described
0	None	- the measure is not described

Sources of information (1 mark)

1 mark	Excellent	- sources of information are identified
0	Poor	- no identification

4. Identifying and describing the consequences of the measures (7 marks)

Description of the consequences (2 marks x 3 consequences)

2 marks	Excellent	- the consequence is clearly described
1 mark	Adequate	- the consequence is adequately described
0	None	- the consequence is not described

Sources of information		(1 mark)
1 mark	Excellent	- sources of information are identified
0	Poor	- no identification

5. Drawing conclusions and making recommendations – the written report (14 marks)
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Drawing conclusions (6 marks)

6 marks	Excellent	- the student draws valid conclusions with strong/clear links made to the conclusions and material presented in the body of the project
4 marks	Good	- some conclusions are drawn with some links made to the conclusions and material presented in the body of the project
2 marks	Limited	- conclusions are short and lacking
0	None	- conclusions are lacking

Making recommendations (8 marks)

8 marks	Excellent	- the student makes valid recommendations for dealing with the issue with strong/clear links made to material presented in the body of the project
5 marks	Good	- conclusions are drawn and some reference is made to material presented in the body of the project
2 marks	Limited	- recommendations are vague
0	None	- no recommendations made

6. Overall presentation and acknowledgements (8 marks)

Overall presentation of the report (6 marks)

6 marks	Excellent	- the Research Project is very well organized and presented showing clear and logical structure, and a proper list of contents
4 marks	Good	- the Research Project is adequately organized and presented and a proper list of contents
1-2 marks	Limited	- adequate to poor overall presentation
0	Poor	- disorganized and poorly presented

Acknowledgements (2 marks)

2 marks	Excellent	- acknowledgements clearly stated using acceptable conventions
1 mark	Adequate	- some acknowledgements stated
0	None	- no acknowledgements stated

Minor Tasks

- Both minor tasks need to be completed.

Minor Task 1: Present and analyse of economic data

This is a classroom task with the data required for the presentation being provided by the teacher.

The presentation will be in the form of graphs, tables, charts or other non-written form from economic data.

The task must contain the following elements:

- the extraction of relevant information from given data
- the calculation/manipulation of the data
- the visual presentation of data
- the analysis and interpretation of the economic data
- description of economic issue/event related to the data

Sample question: Calculate percentages of Government Expenditure over a three year period and draw pie graphs to present the data. Analyse and describe in 2-3 sentences the trends and changes over the period.

Marking Allocation

Extraction of data is correct	0 – 2 marks
Calculations of the required information is correct	0 – 4 marks
Quality of presentation	0 – 5 marks
Analysis of the data is clearly stated	0 – 6 marks
Description of event	<u>0 – 3 marks</u>
	<u>20 marks</u>

Marking Scheme for Minor Task 1

1. Extraction of data (2 marks)
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2 marks	Excellent	-	all correct data is extracted
1 mark	Adequate	-	some correct data is extracted
0	None	-	no correct data is extracted

2. Calculations (4 marks)

4 marks	Excellent	-	all calculations are correct
3 marks	Good	-	some minor errors only
1 mark	Limited	-	some calculations correct
0	None	-	no calculation

3. Presentation (5 marks)

5 marks	Excellent	-	all graphs, charts, etc. are correct and well presented
3 marks	Good	-	most graphs, charts, etc. are correct and well presented
1 mark	Limited	-	some effort has been made to present graphs, charts, etc.
0	None	-	no real effort made

4. Analysis (6 marks)

6 marks	Excellent	-	the analysis is well written, relates clearly to the data with clear conclusions drawn
4 marks	Good	-	the analysis is well written and generally relates to the data
2 mark	Limited	-	some effort has been made to analyse the data
0	None	-	no real effort made

5. Description (3 marks)

3 marks	Excellent	-	issue/ event is clearly related to the data
1 mark	Adequate	-	issue/ event is adequately related to the data
0	None	-	no relation

Minor Task 2: Use of written source about an economic issue or event

Choose a written source (a letter, newspaper or magazine article, official Government or business document). Complete a text interpretation by answering the following questions:

1. Place the source in its context
 - (a) State who wrote the passage and the date it was written.
 - (b) Identify the economic issue or event in the passage.
 - (c) State the purpose of the passage.

2. Content of the source
 - (a) Describe the economic issue or event in the passage.
 - (b) Describe how the author views the economic issue or event.
 - (c) Identify and describe any bias the author may show in the writing of the article.

3. Application of key economic concept
 - (a) Identify and describe the key economic concept.
 - (b) Describe how the concept is related to the economic issue or event.

4. Significance and impact of the source
 - (a) Describe the significance of the economic issue or event in relation to its importance in the economy.
 - (b) Describe how the passage would impact on the reader.

Marking Allocation

The author and date are identified	0 – 1 mark
The economic issue or event is identified	0 – 1 mark
The purpose of passage is stated	0 – 2 marks
The economic issue or event is described	0 – 2 marks
The author’s view is described	0 – 2 marks
Any bias is identified and described	0 – 2 marks
The economic concept identified and described	0 – 3 marks
The economic concept is related to the issue or event	0 – 3 marks
The significance and impact are described	<u>0 – 4 marks</u>
	<u>20 marks</u>

NOTE: The source must be handed in with the student’s work.

Marking Scheme for Minor Task 2

1. Place the source in its context (4 marks)

a) 1 mark	-	the author and date are stated
b) 1 mark	-	the economic issue or event is stated
c) 2 marks	Excellent	- the purpose is clearly stated
1 mark	Adequate	- the purpose is stated
0	None	- the purpose is not stated

2. Content of the source (7 marks)

a) 2 marks	Excellent	- the economic event or issue is clearly described
1 mark	Adequate	- the economic event or issue is adequately described
0	None	- no description

b) 3 marks	Excellent	-	the author's view is clearly described
1 mark	Adequate	-	the author's view is adequately described
0	None	-	no description
c) 2 marks	Excellent	-	any bias has been identified and is clearly described
1 mark	Adequate	-	any bias has been identified and described
0	None	-	no description

3. Application of key economic concept (5 marks)

a) 2 marks	Excellent	-	the economic concept is clearly identified and described
1 mark	Adequate	-	the economic concept is adequately described
0	None	-	no concept identified
b) 3 marks	Excellent	-	the economic concept is clearly link to the economic issue or event
2 mark	Adequate	-	the economic concept is adequately link to the economic issue or event
0	None	-	no link

4. Significance and impact of the source (4 marks)

a) 2 marks	Excellent	-	the significance of the economic event or issue is clearly described
1 mark	Adequate	-	the significance of the economic event or issue is adequately described
0	None	-	no description
b) 2 marks	Excellent	-	the impact on the reader is clearly described
1 mark	Adequate	-	the impact on the reader is adequately described
0	None	-	no description

Advisory Section

SKILLS

The course of study is designed to develop the following thinking, investigative and statistical skills in order that the aims of the course are more readily achieved.

The use of any one skill may involve the use of the others. The skills are clearly specified here to facilitate the achievement of the course objectives and to provide criteria against which students' achievement can be measured.

As well as participating in traditional teacher-centered lessons, students should learn to organise and carry out tasks for developing these skills, both individually and in groups.

Thinking Skills

Students will be expected to demonstrate the thinking skills of recall of knowledge, selection of data, comprehension, processing of information, application of concepts, evaluation, analysis and synthesis of values.

Investigative Skills

Investigations would involve defining the task (with assistance), determining the investigative procedures, selecting, collecting and evaluating appropriate information and data, analysing and interpreting the information or results and presenting conclusions in an appropriate form.

Statistical Skills

Students should be able to analyse, synthesise, evaluate and present statistical data.

Students will require an understanding of:

- a. means, medians and ranges
- b. indexes
- c. real and nominal values
- d. graphs commonly used to represent economic information (pie, column, line, bar)

Appendix

Examples of Possible Topics for the Research Project

Examples of topics that could be used for the Research Topic follow. The topic chosen must relate to the student's own environment.

- Worsening Trade Balance/Balance of Payments
- Rising Prices
- Increasing Government Expenditure
- Economic Development
- Increase in immigration/emigration/internal migration
- Ownership/control of factors of production
- Changing population patterns
- Rising unemployment
- Decrease in foreign aid
- Free trade/protectionism/Globalisation
- Increasing/decreasing foreign investment/remittances
- Economic/import dependency
- Monetary regulations e.g. rising interest rates
- Deregulation/privatisation
- Increase in tourism
- The Government budget
- Narrow range of exports
- Effects of the Global recession on the local economy
- Rising prices in Tonga

Suggested Teaching Programme

This is an example of a teaching programme (timeline) showing the time that needs to be spent on different learning outcomes on which teachers can base their schemes of work. With countries/schools in the region having a variety of term times, teachers will need to plan their own programmes using this as a guide.

Pacific Islands High School Teaching Programme – PSSC Economics

Week	Learning Outcomes	Prescription Reference	Assessment
SECTION I: BASIC ECONOMIC CONCEPTS			
1 - 2	<ul style="list-style-type: none"> define, describe and apply the economic concepts to all relevant later parts of the prescription 	Section I: 1(a)	
3	<ul style="list-style-type: none"> construct, analyse and use the production possibility curves to explain the relationship of some of the above concepts 	Section I: 1(b)	
4	<ul style="list-style-type: none"> use the circular flow diagrams to illustrate the relationship of some of the above concepts. distinguish between factor markets and goods markets, and between derived demand and final demand 	Section I: 1(c) Section I: 2(a)	Minor Task 1
5	<ul style="list-style-type: none"> identify the features of the following types of market and categorise markets according to their features 	Section I: 2(b)	
6 - 7	<ul style="list-style-type: none"> demand and Supply (Market Curves) 	Section I: 3	
8 - 9	<ul style="list-style-type: none"> define and identify common examples of factors of production define and identify common examples of factor incomes define and distinguish between the concept of GNI, GNE, GDP (nominal and real GDP), and real GDP per capita as measures of circular flows make simple calculations of nominal GDP, real GDP, real GDP per capita and economic growth identify and describe the components of a simple aggregate demand and aggregate supply 	Section I: 4(a) Section I: 4(b) Section I: 4(c) Section I: 4(d) Section I: 4(e)	Minor Task 2
SECTION II: MONEY			
10	<ul style="list-style-type: none"> define and apply the functions of money define and apply the characteristics (features, qualities) of money describe and calculate common measures and components of the money supply describe and identify example of the functions of central banks, commercial banks and development banks 	Section II: 1(a) Section II: 1(b) Section II: 1(c) Section II: 1(d)	

11	<ul style="list-style-type: none"> • use the quantity theory of money ($MV = PT$) to illustrate the relationship between the supply of money, and prices • describe the separate effect on the money supply of government borrowing, remittances, foreign aid and lending by commercial banks 	Section II: 2 Section II: 3	
12	<ul style="list-style-type: none"> • define inflation • calculate the rate of inflation from published CPI figures, interpret the trend over time, and describe the procedures used to construct the consumer price index 	Section II: 4(a) Section II: 4(b)	Major Task start
13	<ul style="list-style-type: none"> • identify and describe the causes of demand pull and cost push inflation • identify, describe and explain the effects of inflation. • identify policies to combat inflation 	Section II: 4(c) Section II: 4(d) Section II: 4(e)	
SECTION III: INTERNATIONAL TRADE AND PAYMENTS			
14	<ul style="list-style-type: none"> • apply the concepts of opportunity cost, comparative advantage, specialisation, exchange, markets and gains from trade to international trade • describe and distinguish between absolute and comparative advantage, terms of trade and gains from trade • use simple mathematical examples to illustrate comparative advantage and gains from trade following specialisation 	Section III: 1(a) Section III: 1(b) Section III: 1(c)	
15	<ul style="list-style-type: none"> • define exchange rate • describe and distinguish between strong and weak international currencies • calculate foreign exchange rates • describe and distinguish special features of managed and flexible exchange rates • identify and explain reasons for revaluation/devaluation and appreciation/depreciation • identify and explain the effects of revaluation/devaluation and appreciation/depreciation on exports, imports and Balance of Payments 	Section III: 2(a) Section III: 2(b) Section III: 2(c) Section III: 2(d) Section III: 2(e) Section III: 2(f)	
16	<ul style="list-style-type: none"> • identify and distinguish components of the balance of visibles (trade) and invisibles, balance of payments, current account, capital account, foreign reserves • calculate the balance of visibles (trade) and invisibles, balance of payments, current account, capital account, foreign reserves • explain the effects on the economy of a current account deficit and surplus • explain the reasons for the trade restrictions 	Section III: 3(a) Section III: 3(b) Section III: 3(c) Section III: 3(d)	

17	<ul style="list-style-type: none"> • identify and explain the reasons for and against free trade and protectionism • explain the effects of trade restrictions • explain the importance of remittances, foreign aid and foreign investment • evaluate and explain the trend in the balance of payments of the student's own economy including major trading partners, main commodities and services traded (imports and exports), the main components of the current account and capital account • identify and explain the current problems faced in regards to balance of payments 	<p>Section III: 3(e)</p> <p>Section III: 3(f)</p> <p>Section III: 3(g)</p> <p>Section III: 3(h)</p> <p>Section III: 3(i)</p>	Major Task due
18	<ul style="list-style-type: none"> • identify and describe the importance of marketing agencies and boards • identify regional trade agreements • describe the role of the IMF and WTO on trade in the Pacific 	<p>Section III: 4(a)</p> <p>Section III: 4(b)</p> <p>Section III: 4(c)</p>	
SECTION IV ECONOMIC FUNCTIONS OF GOVERNMENT			
19	<ul style="list-style-type: none"> • identify and describe the economic functions of Government • identify and describe sources of Government revenue and major areas of Government expenditure • explain the aims of the Government's budget • analyse the Government budget of the student's own country 	<p>Section IV: 1(a)</p> <p>Section IV: 1(b)</p> <p>Section IV: 1(c)</p> <p>Section IV: 1(d)</p>	
20	<ul style="list-style-type: none"> • identify and describe the economic issues 	Section IV: 2(a)	
21	<ul style="list-style-type: none"> • identify and describe the economic aims 	Section IV: 2(b)	
22	<ul style="list-style-type: none"> • identify and describe the measures that Governments can use to address the economic issues • describe how the measures can address the economic issues • identify the measures as monetary, fiscal or "other" measures • explain how the measures that address one issue will have an impact on the other issues 	<p>Section IV: 3(a)</p> <p>Section IV: 3(b)</p> <p>Section IV: 3(c)</p> <p>Section IV: 3(d)</p>	
SECTION V ECONOMIC DEVELOPMENT			
24	<ul style="list-style-type: none"> • define economic development • identify and describe the characteristics of developing countries and compare them with those of developed countries 	<p>Section V: 1(a)</p> <p>Section V: 1(b)</p>	
25	<ul style="list-style-type: none"> • use simple mathematical calculations to illustrate some of the characteristics of developing countries relative to those of developed countries 	Section V: 1(c)	
26	<ul style="list-style-type: none"> • evaluate the development of the student's country economy by reference to the characteristics of developing countries in 1 above • identify the major components of national income 	<p>Section V: 2(a)</p> <p>Section V: 2(b)</p>	

	<p>and expenditure and describe recent trends</p> <ul style="list-style-type: none"> • identify and discuss the potential for development in the economy • discuss Government measures to increase development of the economy • identify international agencies which aid development in the Pacific region and describe their importance. 	<p>Section V: 2(c)</p> <p>Section V: 2(d)</p> <p>Section V: 2(e)</p>	
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PSSC Internal Assessment Summary Form

ECONOMICS

Country _____ School _____

Task	Start Date	Completion Date	Brief Description	Task Weight %
Minor Task 1				10
Minor Task 2				10
Major Task		31 July		20

Teacher

Date: