

# MARINA INTERNATIONAL SCHOOL

## ECONOMICS SCHEME OF WORK

### FORM 6 - TERM 1

WEEK	TOPIC	TOPIC DETAILS
1.1	BASIC ECONOMIC IDEAS AND RESOURCE ALLOCATION: Scarcity, choice and opportunity cost	State the fundamental economic problem starting with an explanation of the meaning of scarcity and illustration of the inevitability of choices at all levels (individual, firms, governments); Explain each of the THREE basic questions of what will be produced, how and for whom. Explain the meaning of each of the following concepts: 'ceteris paribus' the margin and decision making at the margin short run, long run, very long run
1.2	Positive and normative statements	Draw the distinction between facts and value judgements
1.3	Factors of production	State the rewards to the factors of production: land, labour, capital and enterprise Explain specialisation and division of labour at the level of the individual workers, firms, and countries
2.1	Resource allocation in different economic systems and issues of transition	Explain how the THREE basic questions are answered in the market, planned and mixed economies; describe the main features of these economies together with their advantages and disadvantages; explain why some economies are changing to the mixed and market economies and the associated problems of transition. Analyse the role of the factor enterprise in a modern economy
2.2	Production possibility curves (PPC)	Define and illustrate the concept of PPC; Relate to shape and shifts of the curve; Explain the shape of PPC in terms of rising, constant and increasing opportunity costs.
3.1	Money	Describe the functions and characteristics of money in a modern economy Explain each of the following: barter and the problems of barter, cash and bank deposits, cheques, near money, liquidity

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4.1	Classification of goods and services	Distinguish between free goods and economic goods; private goods and public goods; Describe merit goods and demerit goods as the outcome of imperfect information by consumers
5.1	Demand and supply curves	State the meaning of effective demand Differentiate between individual and market demand and supply Explain factors influencing demand and supply
6.1	Price elasticity, income elasticity and cross-elasticities of demand	State the meaning of elasticity of demand; explain how to calculate elasticity of demand Show the range of elasticities of demand as when the numerical value is greater than 1, less than 1 but greater than zero; and when it is equal to 1. Identify and explain the factors affecting elasticity of demand Demonstrate the implications for revenue and business decisions of price, income and cross-elasticities of demand
7.1	Price elasticity of supply	Give the meaning, and show the calculation of, elasticity of supply Show the range of elasticities of supply as when the numerical value is greater than 1; less than 1 but greater than zero; and equal to 1 State and explain the factors affecting elasticity of supply Demonstrate implications of speed and the ease with which businesses react to changed market conditions
8.1	Interaction of demand and supply	State and illustrate the meaning of equilibrium and disequilibrium with diagram(s)
9.1	Market equilibrium and disequilibrium.	Describe the effects of changes in supply and demand on equilibrium price and quantity Demonstrate knowledge of the applications of demand and supply analysis Distinguish between movements along and shifts of the demand and supply curves Explain joint demand (complements) and alternative/competitive demand (substitutes) Explain joint supply (complements) Describe/explain the workings of the price mechanism; price mechanism and rationing, signalling and the transmission of preferences

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10.1	Consumer and producer surplus	State the meaning of consumer and producer surplus and illustrate same on a graph; show their significance in terms increase in quantity demanded and how the latter affects the profits of firms. Show how these are affected by changes in equilibrium price and quantity resulting from e.g. changes in indirect taxes and subsidies
11.1	Maximum and minimum prices	state the meaning and analyse effect on the market of maximum price and minimum price
12.1	Taxes (direct and indirect)	Assess the impact and incidence of taxes; distinguish between specific and ad valorem taxes; Explain average and marginal rates of taxation; explain the proportional, progressive and regressive taxes; explain the Canons of Taxation
12.2	Subsidies	Explain the impact and incidence of subsidies
13.1	Transfer payments	State the meaning of transfer payments; analyse its effect on the market
13.2	Direct provision of goods and services	State the meaning of Direct provision, when it becomes necessary, and analyse its effect on the market
13.3	Nationalisation and privatisation	• state the meaning of nationalisation and privatisation, Explain their motives, and effect on the market
14.1	REVISION	Revision using past papers
15.1	MOCK EXAMS	Mock Exams