

# YEAR 10

# ECONOMICS



**SRI KDU**  
International  
School  
SUBANG JAYA

## PROGRAMME OF STUDY - TERM 2

### THE ALLOCATION OF RESOURCES

- Explain how the price mechanism determines the answers to the following key questions about resource allocation.
- Draw demand and supply diagrams to illustrate price changes in market conditions.
- Analyse the consequences of these changes in market conditions for the market equilibrium price and quantity traded.
- Calculate PED using the formula and the interpret the significance of the result.
- Draw and interpret demand curve diagrams to illustrate different PED.
- Explain the key influences on whether demand is elastic or inelastic.
- Explain the relationship between PED and total revenue, both in a diagram and as a calculation.
- Calculate PES using the formula and the interpret the significance of the result.
- Draw and interpret supply curve diagrams to illustrate different PES.
- Explain the key influences on whether supply is elastic or inelastic.
- Identify the difference between private and public sectors.
- Explain the advantages and disadvantages of the market economic systems.
- Analyse the consequences of market failure with the overconsumption of demerit goods and goods with external costs.
- Analyse the consequences of market failure with the underconsumption of merit goods and those with external benefits.
- Analyse the implications of market failure on the misallocation of resources.
- Explain the effects of imposing maximum and minimum prices on markets in various context.
- Draw and interpret diagrams showing the effects of indirect taxation, subsidies, and minimum and maximum prices in goods and services.
- Discuss the effectiveness of government intervention in overcoming the drawbacks of a mixed economic system.

### THE ALLOCATION OF RESOURCES

- Explain the functions and characteristics of money.
- Analyse the role and importance of central banks and commercial banks for government, producers and consumers.
- Explain the factor that influence household spending, such as saving, borrowing, rate of interest and confidence.
- Explain how these factors may change over time and will affect different types of households.

- Explain how wages and non-wages factors affect choice of occupation.
- Analyse the effects of changes in demand and supply on the labour market.
- Explain how changes in relative bargaining strengths, discrimination, and government policy all influence difference in earnings can.
- Explain the role of trade unions in the economy, including collective bargaining, employment protection and influencing government policy.
- Analyse the advantages and disadvantages of trade union membership for workers, firms, and government.