YEAR 10 ECONOMICS

SRI KDU International School SUBANG JAYA

PROGRAMME OF STUDY - TERM 1

SECTION 1: THE BASIC ECONOMIC PROBLEM

The nature of the economic problem

- Examine the nature of the economic problem.
- Explain finite resources and unlimited wants.
- Distinguish between economic and free goods.

The factors of production

- Define and provide examples of the factors of production (land, labour, capital, and enterprise).
- Examine the rewards for the factors of production.
- Explain the influences on the mobility of factors of production.
- Explain what causes changes in the quantity and quality of the factors of production.

Opportunity cost

- Define and provide examples of opportunity cost in different contexts.
- Identify the influence of opportunity cost on decision making.
- Decisions made by consumers, workers, producers, and governments when allocating their resources.

Production possibility curve diagram (PPC)

- Define a production possibility curve (PPC)
- Draw and interpret appropriate PPC diagrams.
- Explain the significance of the location of production points on PPC diagrams.
- Explain the causes and consequences of shifts and movements of the PPC.

SECTION 2: THE ALLOCATION OF RESOURCES

Microeconomics and Macroeconomics

- Distinguish between microeconomics and macroeconomics.
- Explain the decision makers involved in microeconomics and macroeconomics.
- Demand

Define demand.

- Draw and interpret appropriate demand diagrams.
- Explain movements (contractions and expansions) along a demand curve.
- Explain the link between individual and market demand.
- Explain the causes of shifts in a demand curve.

Supply

- Define supply.
- Draw and interpret appropriate supply diagrams.
- Explain movements (contractions and extensions) along a supply curve.
- Explain the link between individual and market supply.
- Explain the causes of shifts in a supply curve.

Price determination

- Define market equilibrium.
- Draw and interpret demand and supply schedules and curves to establish equilibrium.
- Define market disequilibrium.
- Draw and interpret diagrams to show shortages (excess demand) and surpluses (excess supply).

The role of markets in allocating resources

- Define the market system.
- Explain the key questions about resource allocation in a market system.
- Explain how the price mechanism allocates resources.

Price changes

- Explain the causes of price changes.
- Discuss the consequences of price changes.

Price elasticity of demand (PED)

- Define and 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.
- Analyse the significance of PED for decision makers.

Price elasticity of supply (PES)

- Define and 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.
- Analyse the significance of PES for decision makers.

Market economic system

- Define the market economic system.
- Explain the advantages and disadvantages of the market economic system.

Market failure

- Define concept of market failure
- Explain the causes of market failure.
- Identify and analyse the consequences of market failure.

Mixed economic system

- Define the mixed economic system.
- Explain maximum and minimum prices.
- Discuss government intervention to address market failure.