YEAR 11 ECONOMICS

SRI KDU International School SUBANG JAYA

PROGRAMME OF STUDY - TERM 1

SECTION 2: THE ALLOCATION OF RESOURCES

Price elasticity of demand (PED) & Price elasticity of supply (PES)

- Calculate PED & PES using the formula and the interpret the significance of the result.
- Draw and interpret demand and supply curve diagrams to illustrate different PED & PES.
- Explain the key influences on whether demand & supply is elastic or inelastic.
- Explain the relationship between PED and total revenue, both in a diagram and as a calculation.

SECTION 3: MICROECONOMIC DECISION MAKERS

Workers

- Explain how wages and non-wages factors affect choice of occupation.
- Analyse the effects of changes in demand and supply on the labour market.

SECTION 4: GOVERNMENT AND THE MACROECONOMY

The role of government

- Identify and describe the role of government locally, nationally, and internationally.

The macroeconomic aims of government

- Describe the macroeconomic aims of government such as economic growth, full employment/low unemployment, stable prices/low inflation, redistribution of income, balance of payment stability.
- Explain the reasons behind the choice of aims and the criteria that governments set for each aim.
- Discuss the possible conflicts between macroeconomic aims.

Fiscal policy

- Define the budget.
- Explain the reasons for government spending and taxation.
- Identify and analyse the various classifications of taxes and the principles of taxation.
- Examine the impact of taxation on various stakeholders.
- Define fiscal policy and understand fiscal policy measures.
- Discuss the effects of fiscal policy on macroeconomic aims.

Monetary policy

- Define money supply and monetary policy.
- Identify monetary policy measures.
- Discuss the effects of monetary policy on macroeconomic aims.

Supply-side policy

- Define supply-side policy.
- Identify various supply-side policy measures.
- Discuss the effects of supply-side policy measures on government macroeconomic aims.

Economic growth

- Define economic growth.
- Measure economic growth using real gross domestic product (GDP) and GDP per head.
- Discuss the causes and consequences of recession and economic growth.
- Discuss the effectiveness of policies to promote economic growth.
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Employment and unemployment

- Define employment, unemployment, and full employment.
- Calculate and analyse unemployment.
- Explain causes / types of unemployment.
- Discuss consequences of unemployment.
- Discuss the policies to reduce unemployment.

Inflation and deflation

- Define inflation and deflation.
- Discuss the causes of inflation and deflation.
- Describe the uses of Consumer Price Index (CPI).
- Analyse the stages involved in constructing the Consumer Price Index.
- Discuss the consequences of inflation and deflation.
- Discuss the policies to control inflation and deflation.

SECTION 5: ECONOMIC DEVELOPMENT

Living standards

- Identify indicators of living standards.
- Describe the components of real GDP per capita and the human development index (HDI).
- Explain the advantages and disadvantages of real GDP per capita and HDI as measures of living standards.
- Compare living standards and income distribution.
- Discuss reasons for differences in living standards and income distribution within between countries.

Poverty

- Define absolute and relative poverty.
- Explain the causes of poverty.
- Discuss policies to alleviate poverty and redistribute income.

Population

- Describe the factors that affect population growth.
- Explain reasons for the different rates of population growth in different countries.
- Describe the effects of changes in the size and structure (for e.g. ageing population) of population on different countries.

Differences in economic development

- Define economic development.
- Identify and explain the causes of differences in economic development between countries.
- Analyse and discuss the impacts of differences in economic development between countries.