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Moving Forward with Confidence

وثيقة منهج مادة الاقتصاد

Economics Curriculum

Grades (11-12) – Bilingual Program

2026-2027

وزارة التعليم
المديرية العامة للمؤسسات التعليمية الخاصة

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Syllabus Overview

A. Introduction

This document is aimed at providing teachers with guidance on the implementation of this revised qualification. There have been some developments and changes from the previously published curriculum. This is the updated version of the revised curriculum. The views of teaching professionals from private schools have also been integral to the review process.

B. Aims of the Syllabus

The aims describe the purposes of a course based on this Grade 11 & 12 syllabus.
The aims are to enable students to:

- Know and understand the terminology, concepts, theories and principles of economics.
- Express ideas in writing and using statistics and diagrams, or other methods, where appropriate.
- Develop the habit of using works of reference as sources of information specific to economics.
- Read critically to analyze information about the changes in the wider economic and social environment.
- Appreciate the methods of study that economists use, and the most effective ways economic information may be analyzed, correlated, discussed, evaluated and presented.
- Develop an interest in economics issues that could lead to further study.

C. Format of Economics Subject Curriculum

Economics is designed to be delivered over two academic years to students in grades 11 and 12. The qualification comprises seven mandatory units.

Grade	Semester	Units
11	1	Unit 1: Basic Economic ideas and resource allocation.
		Unit 2: Price system and the microeconomy.
	2	Unit 3: Government microeconomics intervention.
		Unit 4: Introduction to Macroeconomy.
12	1	Unit 5: Government Macroeconomics Intervention.
		Unit 6: The Macroeconomy.
	2	Unit 7: International Economic Issues.

It is <u>mandatory</u> that all indicated units and learning outcomes are taught during the qualification period.

D. Teaching & Learning

Guidance on teaching & learning within this qualification is provided at a range of levels. Each unit comprises:

Unit Overview – This provides teachers with a summary of the unit; this should assist teachers with orientating themselves with the unit.

Learning Content – this provides detailed guidance on what learning should be covered by teachers when planning the delivery of the qualification. Each unit is broken down into its component topic areas and then the indicative content is provided alongside each area. The content of each area is provided in a sequence which looks to build knowledge and understanding. The sequence provided is not mandatory, teachers should use their professional judgement when planning their *scheme of work* or similar teaching & leaning plan.

Learning Outcomes – these are broad statements which specify the minimum that students need to achieve to complete the unit successfully. They state, "*a student should be able to"* and then provide supplementary information linked to the content of each area. Teachers should use these to help orientate students with the content of each unit and to provide them with information on the standards they need to achieve to be successful. These statements should also be used when devising assessment activities and examinations.

E. Topics and Learning Outcomes

This table on the following pages is intended to provide teachers and students with guidance on the content of learning delivery for these units. The content is broken down into **Topics** and **Learning Outcomes** which details what students should be able to do following completion of these units. These learning outcomes should form the basis of the assessment processes for these units.

Teachers do not have to completely follow the topics in the order presented within the table per semester. However, they should be conscious that students will require an understanding of some basic topics before progressing to others, professional judgement should be used carefully.

F. The Sequence of Teaching and Assessing

The content of Units has been presented in a logical sequence which aims to assist students build their understanding of the topics. The sequence that teachers deliver and assess these units is not intended to be entirely prescriptive.
Teachers may use their professional judgement when planning the timing and sequence of teaching and assessments to account for their students' progress and local circumstances at the school.
Assessments should be sequenced to follow-on from relevant teaching inputs; assessments should not occur out of sequence to the relevant teaching inputs and follow-on directly after them before a new **Learning Outcome** is started.

G. Types of Assessment Activities

Teachers should also refer to the assessment document issued by the Center of Educational Assessment and Measurement (CEAM) at Ministry of Education when developing assessment activities. Teachers should develop their own assessment activities in line with the comprehensive guidance provided.

H. Grading Rubric

When marking students' responses teachers should be looking for understanding, not only memorization. So, responses which may not exactly match the information presented in books or class notes but still demonstrate a correct understanding of the basic terms and principles are valid. Teachers must use their professional judgement when grading these types of assessments, particularly in the area of language used. Students should not be penalized for minor inaccuracies because their level of English is not highly developed.

Grade 11 Syllabus

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G11 - Semester 1
Unit 1: Basic economic ideas and resource allocation
Unit 2: Price system and the microeconomy

G11 - Semester 1: Units 1 & 2 - Overview

These units are the first units' group within the General Education Diploma (GED) Economics curriculum. They have been designed to run during 1 semester for grade 11 students.

Unit 1: Basic economic ideas and resource allocation:
Candidates will explore the fundamental problem that underpins economics and a model highlighting some of the main issues that arise from this problem. They will examine the factors of production, their rewards and the advantages and disadvantages of specialisation in the use of resources. Candidates will assess the different economic systems that are used to allocate scarce resources, considering the strengths and weaknesses of these systems, and they will be introduced to some of the terms and methodology used by economists. The key concepts that are the main focus for this topic are: scarcity and choice; the margin and decision-making; time.

Unit 2: Price system and the microeconomy:
Candidates will examine how markets and the price mechanism determine the allocation of resources, with particular emphasis on these key concepts: scarcity and choice; equilibrium and disequilibrium. The importance of elasticity within the market will be analysed drawing on the key concept of time. Candidates should use the model of demand and supply to analyse markets for a range of commodities, for example primary products, foodstuffs, transport and foreign currency. Candidates will also consider the significance of consumer surplus and producer surplus, which are of relevance to the key concept of efficiency and inefficiency.

Topic	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
Unit 1: Basic economic ideas and resource allocation (29 lessons):			
1.1 Scarcity, choice and opportunity cost	5	- The fundamental economic problem. - Unlimited wants. - Choice and opportunity cost. - What, how, and for whom to produce.	1.1.1 Define fundamental economic problem, resources, wants, needs, scarcity, choice, opportunity cost. 1.1.2 Explain the fundamental economic problem of scarcity. 1.1.3 Discuss the need for individuals, firms and governments to make choices. 1.1.4 Explain how opportunity cost results from the need to make Choices. 1.1.5 Explain the basic questions of resource allocation.
1.2 Economic methodology	3	- What is economics? - Economics as a social science. - Positive and normative statements. - Meaning of the term ceteris paribus. - The importance of period.	1.2.1 Define microeconomics, macroeconomics, positive statement, normative statement, ceteris paribus, short run, long run, very long run. 1.2.2 Explain why economics is a social science. 1.2.3 Differentiate between facts and opinions (positive and normative statements). 1.2.4 Describe the term ceteris paribus. 1.2.5 Explain why economists use the term ceteris paribus. 1.2.6 Explain when to refer to a time period such as ‘short run’, ‘long run’ and ‘very long run’.
1.3 Factors of production	5	- The factors of production. - The difference between human capital and physical capital. - Specialisation of division of labour. - The role of the entrepreneur.	1.3.1 Identify the factors of production. 1.3.2 Define the meaning of each factor of production: - Land. - Labour. - Capital. - Enterprise. 1.3.3 Discuss the importance of each factor of production. 1.3.4 Describe the rewards to the factors of production. 1.3.5 Differentiate between human capital and physical capital in term of: - Definition. - Examples. - Applications. 1.3.6 Explain the division of labour. 1.3.7 Explain the specialisation. 1.3.8 Identify the skills of successful entrepreneurs. 1.3.9 Analyse the role of the entrepreneur in the organisation of the factors of production in 21st century economies and as a risk taker.

Topic	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
1.4 Classification of goods and services.	5	- Excludability and rivalry. - Private goods. - Public goods. - Merit and demerit goods, and information failure: - Information failure and underconsumption of merit goods. - Low income and underconsumption of merit goods.	1.4.1 Define the following concepts: - Free goods. - Private goods (economic goods). - Public goods. - Merit goods. - Demerit goods. 1.4.2 Describe the importance of: - Free goods. - Private goods (economic goods). - Public goods. - Merit goods. - Demerit goods. 1.4.3 Analyse how underconsumption of merit goods results from imperfect information in the market. 1.4.4 Analyse how overconsumption of demerit goods results from imperfect information in the market.
1.5 Resource allocation in different economic systems	5	- What are economic systems. - The market economy. - How price mechanism works. - Role of the government in market economy. - The planned economy. - The mixed economy.	1.5.1 Define market economy, planned economic system, and mixed economic system. 1.5.2 Explain decision-making in market, planned and mixed economic systems. 1.5.3 Discuss the role of the government in market systems. 1.5.4 Describe how price mechanism works. 1.5.5 Discuss the advantages and disadvantages of resource allocation in market, planned and mixed economic systems. 1.5.6 Recommend which economic system is more reliable for a developing country.
1.6 Production possibility curves	6	- The production possibility curve (PPC). - The production possibility curve and opportunity cost. - The shape of the production possibility curve: - A trade-off between products. - A change in available resources. - Shift in the production possibility curve.	1.6.1 Define production possibility curve (PPC) and the trade-off. 1.6.2 Draw the production possibility curve (PPC) rightward and leftward shifts. 1.6.3 Analyse the importance of a production possibility curve (PPC). 1.6.4 Interpret the shape of the production possibility curve (PPC). 1.6.5 Analyse the causes of the production possibility curve (PPC) rightward and leftward shifts. 1.6.6 Evaluate the significance of a position within a production possibility curve (PPC).

Topic	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
Unit 2: Price system and the microeconomy (36 lessons):			
2.1 Demand and supply curves	8	- Demand. - The demand curve. - The factors that affect demand. - Supply. - The supply curve. - The factors that affect supply. - Causes of a shift in demand curves. - Causes of a shift in supply curves. - How to distinguish between a shift in demand or supply curves and movement along the curve.	2.1.1 Define the meaning of demand, supply. 2.1.2 Draw the demand and supply curves. 2.1.3 Explain the importance of individual and market demand and supply. 2.1.4 Analyse the factors that affect demand. 2.1.5 Analyse the factors that affect supply. 2.1.6 Discuss the causes of a shift in the demand curve (D). 2.1.7 Discuss the causes of a shift in the supply curve (S). 2.1.8 Distinguish between the shift in the demand or supply curve and the movement along these curves.
2.2 Price elasticity, income elasticity and cross elasticity of demand.	10	- What do economics mean by elasticity. - Price elasticity of demand (PED). - Some special PED. - Factors affecting price elasticity of demand. - PED and a downward-sloping linear demand curve. - Income elasticity of demand (YED). - The classification of goods in relation to income. - How price and income can affect decision-making.	2.2.1 Define the meaning of: a. Price elasticity of demand (PED). b. Income elasticity of demand (YED). 2.2.2 Calculate price elasticity and income elasticity (PED and YED). 2.2.3 Describe elastic, inelastic, unitary elasticity. 2.2.4 Interpret elasticity values of elastic, inelastic, unitary elasticity. 2.2.5 Identify the factors affecting PED. 2.2.6 Analyse the factors that affect price elasticity and income elasticity (PED and YED). 2.2.7 Explain the relationship between price elasticity of demand and total expenditure on a product. 2.2.8 Discuss how price, income elasticity of demand can affect decision-making.
2.3 Price elasticity of supply	5	- Price elasticity of supply (PES). - Factors influencing price elasticity of supply. - Implications of PES for the ways in which business react to changing market conditions.	2.3.1 Define the meaning of price elasticity of supply (PES). 2.3.2 Calculate price elasticity of supply (PES). 2.3.3 Analyse the factors influencing price elasticity of supply. 2.3.4 Discuss how price elasticity of supply is related to the speed and ease with which businesses react to changed market conditions.
2.4 The interaction of demand and supply	8	- Market equilibrium and disequilibrium. - The effects of shifts in demand and supply curves on equilibrium price and quantity.	2.4.1 Define the meaning of equilibrium and disequilibrium in a market. 2.4.2 Draw the demand and supply equilibrium curves. 2.4.3 Analyse the causes of shift in the demand and supply curves.

Topic	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
		- Relationships between markets. - The functions of price in resource allocation.	2.4.4 Interpret the effects of shifts in demand and supply curves on equilibrium price and quantity. 2.4.5 Explain the relationships between different markets, including joint demand (complements); alternative demand (substitutes); derived demand; joint supply. 2.4.6 Discuss the roles of price in resource allocation.
2.5 Consumer and producer surplus	5	- The significance of consumer surplus. - The significance of producer surplus.	2.5.1 Define consumer surplus and producer surplus. 2.5.2 Draw the consumer surplus and producer surplus curves. 2.5.3 Explain the meaning and significance of producer surplus and producer surplus. 2.5.4 Analyse the causes of changes in consumer and producer surplus.
Total teaching hours for Semester (1): 65 lessons (40 min / lesson) equivalent to 13 weeks including revision week and essay writing and presentations.			

G11 - Semester 2
Unit 3: Government microeconomic intervention.
Unit 4: Introduction to macroeconomy.

G11 - Semester 2: Units 3 & 4 - Overview

These units are the second units' group within the General Education Diploma (GED) Economics curriculum. These units have been designed to run during 2 semesters for grade 11 students.

Unit 3: Government microeconomic intervention:
Candidates will explore the reasons for government intervention in individual markets, the methods of intervention deployed, the advantages and disadvantages of the methods and their effectiveness. Candidates will also consider why market economies create income and wealth inequality and will evaluate the strengths and weaknesses of policies designed to redistribute income and wealth. The key concepts that support these topics are the margin and decision-making; efficiency and inefficiency; the role of government and the issues of equality and equity.

Unit 4: Introduction to macroeconomy:
Candidates will consider national income as the most important measurement of macroeconomic performance and analyse its determination by the two main macroeconomic models: the circular flow of income, and Aggregate Demand and Aggregate Supply (AD/AS). The key concepts central to this work are equilibrium and disequilibrium, time. Candidates will examine the measurement, causes and consequences of three key indicators of a country's macroeconomic performance: economic growth, unemployment and price stability. These key concepts will provide useful contexts here: progress and development; equilibrium and disequilibrium.

G11 - Semester 2: Units 3 & 4 - Topics and Learning Outcomes

Topic Areas	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
Unit 3: Government microeconomics intervention (13 lessons):			
3.1 Reasons for government intervention in markets	6	- What is the market failure? - How government intervene in markets: ▪ Addressing non-provision of public goods ▪ Addressing the over-consumption of demerit goods. ▪ Addressing the under-consumption of merit goods. - Controlling prices in markets.	3.1.1 Define the market failure. 3.1.2 State how governments intervene in markets. 3.1.3 Differentiate between merit goods and demerit goods in terms of the externalities. 3.1.4 Explain why there is the non-provision of public goods. 3.1.5 Explain why there is overconsumption of demerit goods and the underconsumption of merit goods. 3.1.6 Explain why governments control prices in markets.
3.2 Methods and effects of government intervention in markets	8	- The impacts and incidents of specific indirect taxes. - The impacts and incidents of subsidies. - The direct provision of goods and services. - The maximum and minimum prices - Buffer stock schemes. - Provision of information.	3.2.1 Identify the main types of indirect taxes. 3.2.2 Draw the minimum and maximum price control curves. 3.2.3 Analyse the impact and incidence of specific indirect taxes and subsidies (supported by related curves). 3.2.4 Explain direct provision of goods and services. 3.2.5 Analyse maximum and minimum prices (supported by related curves). 3.2.6 Explain the role buffer stock schemes. 3.2.7 Describe provision of information strategy.
Unit 4: Introduction to macroeconomy (52 lessons):			
4.1 National income statistics	8	- National income statistics. - Gross Domestic Product and national income. - Methods of measuring national income (GDP): - Output method - Income method - Expenditure method - Market prices and basic prices. - Nominal GDP and real GDP.	4.1.1 Define the meaning of national income, gross domestic product (GDP), and gross national income (GNI). 4.1.2 Analyse the purpose of national income statistics. 4.1.3 Distinguish between gross domestic product (GDP) and gross national income (GNI). 4.1.4 Differentiate between the three methods of measuring GDP. 4.1.5 Calculate gross domestic product (GDP) at market price. 4.1.6 Differentiate between the nominal and real GDP.
4.2 Introduction to the circular flow of income	6	- The circular flow of income. - The difference between an open and closed economy.	4.2.1 Describe the circular flow of income model. 4.2.2 Define the open economy and closed economy.

Topic Areas	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
		- The impact of injections and leakages on the circular flow of income. - Equilibrium and disequilibrium of income.	4.2.3 Explain the difference between the circular flow of income in a closed economy and in an open economy. 4.2.4 Analyse the impact of injections and leakages on the circular flow of income. 4.2.5 Compare between a country's income being in equilibrium and in disequilibrium.
4.3 Aggregate Demand and Aggregate Supply analysis	12	- Aggregate demand. - Determinants of the components of aggregate demand: ▪ Consumption expenditure. ▪ Investment. ▪ Government spending. ▪ Net exports. - The aggregate demand curve. - Aggregate supply. - Maco-equilibrium and disequilibrium.	4.3.1 Define aggregate demand (AD) and aggregate supply (AS). 4.3.2 Identify the components of aggregate demand. 4.3.3 Analyse the determinants of aggregate demand. 4.3.4 Draw the aggregate demand curve. 4.3.5 Interpret the aggregate demand curve. 4.3.6 Discuss the causes of a shift in the aggregate demand curve. 4.3.7 Draw the aggregate supply curve in the short run (SRAS) and the long run (LRAS). 4.3.8 Analyse the causes of a shift in the AS curve in the short run (SRAS) and in the long run (LRAS). 4.3.9 Differentiate between a movement along and a shift in aggregate demand and aggregate supply curves.
4.4 Unemployment	10	- Unemployment. - The labour force. - Level of unemployment and rate of unemployment. - Measures of unemployment: ▪ Claimant counts. ▪ Labour force survey. - The causes of unemployment: ▪ cyclical ▪ Frictional ▪ Structural ▪ Seasonal ▪ Technological - The consequence of unemployment	4.4.1 Define unemployment. 4.4.2 Explain the difference between the economically active and the economically inactive population. 4.4.3 Define the meaning of Labour force. 4.4.4 Compare between claimant counts and labour force survey in terms of unemployed population. 4.4.5 Differentiate between the level of unemployment and the rate of unemployment. 4.4.6 Calculate the rate of unemployment. 4.4.7 Analyse the causes and types of unemployment: frictional, structural, cyclical, seasonal and technological. 4.4.8 Discuss the consequences of unemployment.
4.5 Price stability	10	- What is price stability? - Inflation, deflation. - Calculating the inflation rate. - Measurement of inflation and deflation.	4.5.1 Define price stability, inflation, and deflation. 4.5.2 Calculate the inflation rate. 4.5.3 Explain the measurement of inflation and deflation.

Topic Areas	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
		- The difference between money values and real data. - The causes of inflation: ▪ Cost-push inflation. ▪ Demand-pull inflation. ▪ The link between demand-pull and cost-push inflation. - The consequences of inflation: ▪ The possible cost of inflation. ▪ The potential benefits of inflation.	4.5.4 Differentiate between money values and real data. 4.5.5 Identify the types of inflation. 4.5.6 Discuss the causes and consequences of inflation.
***Total teaching hours for Semester (2): 60 lessons (40 min / lesson) equivalent to 12 weeks including revision week and essay writing and presentations.**			

Grade 12 Syllabus

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Grade 12 – Semester 1
Unit 5: Government macroeconomic intervention.
Unit 6: The Macroeconomy.

G12 - Semester 1: Units 5, 6 - Overview

These units are the third units' group within the General Education Diploma (GED) Economics curriculum. These units have been designed to run during semester 1 for grade 12 students.

Unit 5: Government macroeconomic intervention:
Candidates will investigate government macroeconomic policy objectives and the three main types of policy available with which to meet these objectives: fiscal, monetary and supply-side policy. Candidates will consider what constitutes expansionary policy and contractionary policy and when it is appropriate to use each policy. They will also analyse the impact of each policy on the main macroeconomic performance indicators. The key concepts used here will be: the margin and decision-making; time; equilibrium and disequilibrium; progress and development.

Unit 6: The Macroeconomy:
Candidates will develop a more detailed appreciation of the workings of the macroeconomy by studying the determinants of Aggregate Demand, the multiplier process and the role of money and banking. The cyclical nature of economic performance will be examined along with its implications for the main macroeconomic performance indicators: economic growth, low unemployment, price stability and balance of payments stability. Consideration will also be given to the sustainability and inclusivity of economic growth. Key concepts that are fundamental to these issues are: the margin and decision-making; time; equilibrium and disequilibrium; progress and development.

G12 - Semester 1: Units 5 &6 - Topics and Learning Outcomes:

Topic Areas	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
Unit 5: Government Macroeconomics Intervention (28 lessons):			
5.1 Government macroeconomic policy objectives	5	- Government's macroeconomic aims: ▪ Price stability. ▪ Low unemployment. Economic growth.	5.1.1 Identify government's macroeconomic aims. 5.1.2 Define inflation target. 5.1.3 Explain a government's macroeconomic policy objective of price stability, low unemployment, and economic growth.
5.2 Fiscal policy	10	- Fiscal policy and budget. - The national debt. - Taxation: ▪ Indirect taxes. ▪ Direct taxes. ▪ Indirect taxes versus direct taxes. ▪ Progressive, regressive, and proportional taxes. ▪ Reasons for taxation. - Government spending. The impact of expansionary and contractionary fiscal policy on the macroeconomy.	5.2.1 Define fiscal policy, government budget and national debt. 5.2.2 Differentiate between: a. A government budget deficit, a government budget surplus, and government balanced budget. b. Indirect and direct taxes. c. Progressive, regressive, and proportional taxes. d. Current and capital government spending. e. Expansionary, contractionary fiscal policy. 5.2.3 Analyze the reasons for taxation. 5.2.4 Analyze the reasons for government spending. 5.2.5 Draw aggregate demand (AD) and aggregate supply (AS) diagrams to show expansionary and contractionary fiscal policy on equilibrium level of national income. 5.2.6 Discuss the impact of expansionary and contractionary fiscal policy on equilibrium level of national income, the level of real output, the price level and employment, using aggregate demand (AD) and aggregate supply (AS) analysis.
5.3 Monetary policy	8	- What is monetary policy? - The tools of monetary policy. - The difference between Expansionary and contractionary monetary policy.	5.3.1 Define monetary policy. 5.3.2 Identify the main tools of monetary policy. 5.3.3 Differentiate between expansionary and contractionary monetary policy. 5.3.4 Discuss the impact of expansionary and contractionary monetary policy on

Topic Areas	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
		- The impact of expansionary and contractionary monetary policy.	equilibrium level of national income, the real level of output, the price level and employment, using aggregate demand (AD) and aggregate supply (AS) analysis.
5.4 Supply-side policy	5	- Supply-side policy objectives: ▪ increase productivity. ▪ increase productive capacity. - Supply-side policy tools: ▪ Education and training. ▪ Promoting infrastructure development. ▪ Support for technological improvement. - The impact of supply-side policy tools on the macroeconomy.	5.4.1 Define supply-side policy. 5.4.2 List the two objectives of supply-side policy. 5.4.3 State the tools of supply-side policy. 5.4.4 Discuss the impact of supply-side policy on the equilibrium national income, the level of real output, the price level and employment, using aggregate demand (AD) and aggregate supply (AS) analysis.
Unit 6: The Macroeconomy (35 lessons):			
6.1 Economic growth and sustainability	15	- Economic growth. - Causes and consequences of economic growth. - Actual and potential economic growth. - Positive and negative output gaps. - The business (trade) cycle: ▪ The phases of the business cycle. ▪ The causes of the business cycle. - Policies to promote economic growth. - Sustainable economic growth: ▪ Impact of economic growth on the environment and climate change. Policies to mitigate the impact of economic growth on the environment and climate change.	6.1.1 Define economic growth, actual growth, potential growth, output gap, negative output gap, positive output gap, gig economy and sustainable economic growth. 6.1.2 Discuss the causes and consequences of economic growth. 6.1.3 Differentiate between actual growth and potential growth in national output. 6.1.4 Draw the Positive and negative output gaps. 6.1.5 Explain the causes and consequences of positive and negative output gaps. 6.1.6 Describe the phases of the business (trade) cycle. 6.1.7 Identify the causes of the business cycle. 6.1.8 Discuss the impact of economic growth on the environment and climate change. 6.1.9 Evaluate policies to mitigate the impact of economic growth on the environment and climate change.

Topic Areas	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
6.2 Employment and Unemployment	8	- Full employment. - Equilibrium and disequilibrium unemployment. - Voluntary and involuntary unemployment - The natural rate of unemployment. - The forms of labour mobility. ▪ Factors affecting occupational mobility. ▪ Factors affecting geographical mobility. - policies to reduce unemployment and their effectiveness	6.2.1 Define full employment, natural rate of unemployment, hysteresis, long-term unemployment, and labour mobility. 6.2.2 Draw the demand and supply of labour curves. 6.2.3 Differentiate between: a. Equilibrium and disequilibrium unemployment. b. Voluntary and involuntary unemployment. c. geographical and occupational labour mobility. 6.2.4 Analyze the natural rate of unemployment determinants. 6.2.5 Identify the forms of labour mobility. 6.2.6 Analyze the factors affecting labour mobility. 6.2.7 State the policies to reduce unemployment. 6.2.8 Evaluate the effectiveness of the policies to reduce unemployment.
6.3 Money and banking	12	- Introduction to money: ▪ The functions of money. ▪ The characteristics of money. - The money supply. - The quantity theory of money (MV=PT). - Functions of commercial banks: ▪ Providing deposit accounts. ▪ Lending money. ▪ Holding or providing cash. ▪ Securities. ▪ Loans. ▪ Equity. ▪ Reserve ratio and capital ratio. - Causes of changes in the money supply: the role of a central bank. The effectiveness of policies to reduce inflation.	6.3.1 Define money, money supply, double coincidence of wants, narrow money, and broad money. 6.3.2 Explain the functions and characteristics of money. 6.3.3 Analyze the quantity theory of money (MV = PT). 6.3.4 Differentiate between Keynesian and monetarist theoretical approaches. 6.3.5 Explain the functions of commercial banks. 6.3.6 State the three objectives of commercial. 6.3.7 List the role of the central bank. 6.3.8 Describe the role of the central bank. 6.3.9 Draw the money supply and interest rate graphs.
Total teaching hours for Semester (1): 63 lessons (40 min / lesson) equivalent to 13 weeks including revision week and essay writing and presentations.			

Units 7 – Overview

This units are the fourth units' group within the General Education Diploma (GED) Economics curriculum. These units have been designed to run during semester 2 for grade 12 students.

Unit 7: International Economic Issues:
Candidates will explore the international aspects of an economy further by considering the balance of payments in full and the strengths and weaknesses of using fixed and managed exchange rate systems. They will assess the case for free trade, the reasons for protectionism and the advantages and disadvantages of different protectionist measures. This will draw on these key concepts: the margin and decision-making; progress and development. Candidates will consider the current account of the balance of payments as a means of recording a country's trading performance.
Major issues examined include the process of globalisation. The key concepts most relevant to this work are progress and development; scarcity and choice; equilibrium and disequilibrium; time.

G12 - Semester 2: Unit 7 - Teaching Inputs and Learning Outcomes

Topic Areas	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
Unit 7: International Economic Issues (60 lessons):			
7.1 Exchange rates	18	- The exchange rate. - How a floating exchange rate is determined. - Depreciation and appreciation of a floating exchange rate. - The causes of changes in a floating exchange rate. - Measurement of exchange rates. ▪ Nominal and real exchange rates. ▪ Trade - weighted exchange rate. - Determination of exchange rates. - Revaluation and devaluation of a fixed exchange rate ▪ Changes in the exchange rate under different exchange rate systems.	7.1.1 Define exchange rate, floating exchange rate, real exchange rate and nominal exchange rate. 7.1.2 Identify how a floating exchange rate is determined. 7.1.3 Differentiate between depreciation and appreciation of a floating exchange rate. 7.1.4 Identify the three main ways exchange rates are measured: nominal, real and trade-weighted exchange rates. 7.1.5 Analyze how exchange rates are determined under fixed system. 7.1.6 Differentiate between revaluation and devaluation of a fixed exchange rate. 7.1.7 Discuss the causes of exchange rate fluctuations under different exchange rate systems.
7.2 The reasons for international trade	10	- Absolute and comparative advantage. - The benefits of specialization and free trade (trade liberalization). - Imports, exports, and the terms of trades: ▪ Measurement of terms of trades. ▪ Causes of changes in the terms of trade. ▪ The impact of changes in the terms of trade.	7.2.1 Define comparative advantage, absolute advantage, free trade, imports, exports, term of trade, factor endowment. 7.2.2 Differentiate between absolute and comparative advantage. 7.2.3 Analyze the benefits of specialization and free trade (trade liberalization). 7.2.4 Calculate the terms of trade index. 7.2.5 Analyze the causes of changes in the terms of trade. 7.2.6 Discuss the impacts of changes in the terms of trade.
7.3 Protectionism	8	- Protectionism. - Tools of protection and their impact: ▪ Tariffs. ▪ Import quotas. ▪ Export subsidies. ▪ Embargoes. ▪ Voluntary export restraints. ▪ Exchange control. ▪ Excessive administrative burdens (red tape'). - The arguments for protectionism (advantages): ▪ Infant industry, ▪ Declining industry, ▪ Strategic industry, ▪ Dumping,	7.3.1 Define protectionism. 7.3.2 Differentiate between tools of protection in terms of their definitions. 7.3.3 Analyze the impact of the different tools of protection. 7.3.4 Discuss the advantages and disadvantages of protectionism.

Topic Areas	# of Lessons	Subtopics	Learning Outcomes (Students will be able to)
		▪ Trade improvement. ▪ Balance of payment improvement, ▪ Cheap labour protection. - The arguments against protectionism (disadvantages).	
7.4 Current account of the balance of payments	10	- What is the country's balance of payments. - Components of the current account of the balance of payments. - Balance and imbalances (deficits and surplus) in the current account of the balance of payments. - Current account balance calculations. - Causes of imbalance in the current account of the balance of payments: ▪ Causes of a current account deficit. ▪ Causes of a current account surplus.	7.4.1 Define balance of payments account, surplus, and deficits. 7.4.2 Identify the components of the current account of the balance of payments. 7.4.3 Differentiate between balance and imbalances (deficits and surplus) in the current account of the balance of payments. 7.4.4 Calculate the balance of trade in goods, trade in services and overall current account balance. 7.4.5 Analyze the causes of imbalance in the current account of the balance of payments.
7.5 Globalization	6	- What is globalization: ▪ Causes of globalization. ▪ Indicators of globalization. ▪ The consequences of globalization. - Trade blocks: ▪ Free trade area. ▪ Customs union. ▪ Monetary union.	7.5.1 Define globalization, trade blocs, free trade area, monetary union, and customs union. 7.5.2 Analyze the causes of globalization. 7.5.3 State the indicators of globalization. 7.5.4 Differentiate between the free trade area, a customs union, and monetary union. 7.5.5 Evaluate the consequences of globalization on global economies.
7.6 Relationships between countries at different levels of development	8	- International aid: ▪ Forms of aid. ▪ Reasons for giving aid. ▪ Effects of aid. - Trade and investment. - Role of multinational companies (MNCs): ▪ Definition, activities, and consequences of MNC. ▪ Foreign Direct Investment (FDI). - The role of the International Monetary Fund (IMF). - The role of the World Bank.	7.6.1 Define aid, multinational companies (MNC), foreign direct investment (FDI). 7.6.2 List the forms of international aid. 7.6.3 Differentiate between the four types of aids (tied, untied, bilateral, multilateral). 7.6.4 Analyze reasons for giving aid. 7.6.5 Explain the role of trade and investment among countries. 7.6.6 Evaluate the activities and consequences of multinational companies. 7.6.7 Explain the role of the international organization that provides financial aids including International Monetary Fund (IMF) and World Bank.

Total teaching hours for Semester (2): 60 lessons (40 min / lesson) equivalent to 12 weeks including revision week and essay writing and presentations.

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End of the Newsletter