Chapter 8

This Unit covers the following parts of the SEC 10 syllabus (2010):

5.1. The determination of price in market economies

Candidates should be able to

- construct demand and supply curves;
- distinguish between and explain a movement along and shift of demand / supply curves;
- understand the market forces that determine equilibrium;
- show understanding of the application of price mechanism on different issues such as the agricultural market.

5.2. Elasticity

Candidates should be able to

- calculate and interpret the values of price elasticity of demand, price elasticity of supply, income elasticity of demand and cross elasticity of demand;
- show awareness of the importance of the concept of elasticity;
- explain price elasticity of demand and price elasticity of supply in diagrammatic way.

Chapter 9

This Unit covers the following parts of the SEC 10 syllabus (2010):

1.5. Three different types of economic systems

Candidates should be able to

- distinguish between merit goods, demerit goods, public goods, externalities;
- explain possible government action to remedy market failure.

3.5. The role of public enterprise and the arguments for and against privatisation.

Candidates should be able to

- assess the arguments for and against privatisation;
- give examples of state-owned enterprises.

5.1. The determination of price in market economies

Candidates should be able to

- explain the impact of government intervention i.e. price ceiling and price floor;
- explain reasons for and effects of price control.
Chapter 10

This Unit covers the following parts of the SEC 10 syllabus (2010):

6.1. Comparison between perfect competition and monopoly

Candidates should be able to

- explain the main features of perfectly competitive and monopolistic market structures; (knowledge of diagrams is not required);
- illustrate knowledge of advantages and disadvantages of perfect competition and monopoly;
- understand the factors which determine market structure and the application to real life situations (an awareness of the firm’s profit-maximising and loss-minimising price and output in each structure is not required).

Chapter 11

This Unit covers the following parts of the SEC 10 syllabus (2010):

5.1. The determination of price in market economies

Candidates should be able to

- show understanding of the application of price mechanism on different issues such as the labour market.

7.1. Determinants of the demand for and the supply of labour

Candidates should be able to

- identify factors affecting the demand for and the supply of labour;
- explain with diagrams the demand for labour and the supply of labour, including the backward bending supply curve.

7.2. Wage differentials

Candidates should be able to

- explain wage differentials and the determination of wage rate in labour competitive markets.

7.3. The role of trade unions in labour market

Candidates should be able to

- discuss the role of trade unions and employers’ associations in the labour market.

7.1. Determinants of the demand for and the supply of labour

Candidates should be able to
- explain the role of the government as an employer;
- explain the contribution of the ETC on demand for and supply of labour.

7.2. Wage differentials

Candidates should be able to

- give arguments for and against minimum wage legislation.

7.3. The role of trade unions in labour market

Candidates should be able to

- show awareness of the existence of the Employment and Industrial Relations Act.

Chapter 12

This Unit covers the following parts of the SEC 10 syllabus (2010):

8. Elementary National Income analysis

Candidates should be able to

- distinguish between GDP, GNP and NNP;
- understand the methods of measuring National Income and to detect changes in trends;
- explain the problems associated with calculating, interpreting and comparing National Income statistics.

Chapter 13

This Unit covers the following parts of the SEC 10 syllabus (2010):

11. Inflation and Unemployment

Candidates should be able to

- distinguish between inflation and unemployment;
- describe the causes and effects of both inflation and unemployment
Chapter 14

This Unit covers the following parts of the SEC 10 syllabus (2010):

13.1.1. Reasons for international trade

Candidates should be able to

- argue the reasons for international trade.

13.1.2. Specialisation and the principle of comparative advantage

Candidates should be able to

- understand the advantages and disadvantages of specialisation in international trade;
- demonstrate the knowledge of absolute advantage and comparative advantage.

13.1.3 Restrictions on free trade

Candidates should be able to

- show knowledge of different methods of protectionism;
- identify the arguments for and against trade barriers.

13.2. Balance of Payments

Candidates should be able to

- point out the main components of the Balance of Payments;
- explain causes for a Balance of Payments surplus or deficit;

5.1. The determination of price in market economies

Candidates should be able to

- show understanding of the application of price mechanism on different issues such as exchange rate market.

13.3. Exchange Rates

Candidates should be able to

- compare different exchange rates mechanisms;
- identify and give reasons for an appreciation or depreciation of a currency;
- analyse the effects of an appreciation or depreciation on the economy e.g. Balance of payments, employment, inflation
Chapter 20

This Unit covers the following parts of the SEC 10 syllabus (2010):

14.1 The main determinants in size and composition of a country’s population

Candidates should be able to

- explain the effects of changes in birth rate, death rate and migration on a population;
- interpret population pyramids;
- explain the importance of education and health on a country’s population.

14.2 The main determinants in size and composition of a country’s population

Candidates should be able to:

- identify the main trends in the size, sex, age, occupational and geographical distribution;
- assess the causes and consequences of these trends;
- understand the effects of government policy on the occupational and geographical distribution of population.