

# Economics



## Course Description

Economics is the study of how resources are allocated to meet the needs and wants of society. It attempts to explain how and why people, businesses and the government behave the way they do and the consequences of their decision-making. By unpacking the economic considerations around how to best meet the needs and wants of citizens, the study of Economics provides students with valuable insight into issues that may affect them both individually and as members of society. Economics assists us in making more informed and responsible decisions and in making a contribution to public debate as active citizens.

## Course Structure

### *Unit 1 – Economic decision-making*

In this unit students explore their role in the economy, how they interact with businesses, and the role of the government in the economy. Students are introduced to and explore fundamental economic concepts. They examine basic economic models where consumers and businesses engage in mutually beneficial transactions, and investigate the motivations behind both consumer and business behaviour.

#### *Area of Study*

1. Thinking like an economist
2. Decision making in markets
3. Behavioural economics

### *Unit 2 – Economic issues and living standards*

Students consider the link between economic activity and economic growth and investigate the importance of economic growth in raising living standards. They evaluate the benefits and costs of continued economic growth and consider the extent to which our current measurements of living standards are adequate. Students undertake an applied economic analysis of two contemporary economics issues from a local, national and international perspective. They use the tools of data collection, analysis, synthesis and evaluation to examine the issue through an economics lens.

#### *Area of Study*

1. Economic activity
2. Applied economic analysis of local, national and international economic issues

### *Unit 3 – Australia's living standards*

In this unit students investigate the role of the market in allocating resources and examine the factors that affect the price and quantity traded for a range of goods and services. Students investigate the key factors that affect the level of demand and supply in markets and how these might lead to changing prices, as well as the movement of land, labour and capital resources to those areas of production that generate the most value for society. Students develop an understanding of the key measures of efficiency and how market systems might result in efficient outcomes.

#### *Area of Study*

1. An introduction to microeconomics: the market system, resource allocation and government intervention
2. Domestic macroeconomic goals
3. Australia and the international economy

## ***Unit 4 – Managing the economy***

This unit focuses on how the RBA and the Australian Government can utilise monetary and budgetary policy respectively to affect the level of aggregate demand in the economy to help stabilise the business cycle to achieve the domestic macroeconomic goals. Students also examine the role of aggregate supply policies in creating a stronger macroeconomic environment so that the domestic macroeconomic goals can be more easily achieved. This occurs by students investigating the different approaches that policymakers may take to promote efficiency through productivity growth, reductions in the costs of production, and improvements in the quality and quantity of the factors of production.

### ***Area of Study***

1. Aggregate demand policies and domestic economic stability
2. Aggregate supply policies

## **Entry and Recommendations**

There are no prerequisites for entry to Units 1, 2 and 3. Students must undertake Unit 3 prior to undertaking Unit 4.

## **Assessment**

### ***Satisfactory Completion***

Demonstration of achievement of outcomes and satisfactory completion of a unit are determined by evidence gained through the assessment of a range of learning activities and tasks.

### ***Level of Achievement***

#### ***Unit 1 and 2***

- Coursework – Unit 1
  - Folio of exercises
  - Investigation report
  - Presentation
  - Examination
- Coursework – Unit 2
  - Folio of exercises
  - Economic simulation
  - Presentation
  - Examination

#### ***Unit 3 and 4***

- Unit 3 School-based Assessment (25%)
  - Folio of applied economic exercises
  - Case study
  - Report
- Unit 4 School-based Assessment (25%)
  - Essay
  - Report
  - Problem solving exercises
- Examination (50%)

