

# BERLIN BRITISH SCHOOL

## Course overview

### ECONOMICS

<b>Grade 9</b>	
The basic economic problem	Introduces the fundamental ideas and concepts that underpin the study of economics, including the basic economic problem, factors of production, opportunity cost and production possibility curves.
The allocation of resources	The fundamental principles of resource allocation are considered through the price mechanism in a market economy. The market forces of demand and supply, market equilibrium and disequilibrium, and elasticity form the core of this section.
Microeconomic decision makers	The micro economy is an important area of study, and the approach to learning taken here is through the role of the major decision makers: banks, households, workers, trade unions and firms.

<b>Grade 10</b>	
Government and the macroeconomy	Governments have different macroeconomic aims, and conflicts often arise between the choice of measures used to achieve them. Variables must be measured to consider the causes and consequences of change, and appropriate policies applied.
Economic development	As an economy develops there will be changes in population, living standards, poverty and income redistribution. Therefore, the effects of changes in the size and structure of population and of other influences on development in a variety of countries are explored.
International trade and globalisation	The importance of trade between countries and the growth of globalisation is explored. Principles such as specialisation, the role of free trade, the role of multinational companies, foreign exchange rates and balance of payments stability are considered.

Grade 11	
Introduction to economics	<p>What is economics?</p> <p>How do economists approach the world?</p>
<p>Microeconomics 1:</p> <p>How do consumers and producers make choices in trying to meet their economic objectives?</p>	<p>Demand and supply, competitive market equilibrium and elasticity of demand and supply. A critique of the maximizing behaviour of consumers and producers.</p> <p>Conceptual understanding:</p> <ul style="list-style-type: none"> <li>• Interaction between consumers and producers in a market is the main mechanism through which resources are directed to meet the needs and wants in an economy.</li> <li>• Consumer and producer choices are the outcome of complex decision-making.</li> <li>• Welfare is maximized if allocative efficiency is achieved.</li> <li>• Constant change produces dynamic markets.</li> </ul>
<p>Microeconomics 2:</p> <p>When are markets unable to satisfy important economic objectives?</p> <p>Does government intervention help?</p>	<p>Role of government in microeconomics, market failure resulting from externalities, common access resources, public goods, asymmetric information, market power and the market's inability to achieve equity.</p> <p>Conceptual understanding:</p> <ul style="list-style-type: none"> <li>• The market mechanism may result in socially undesirable outcomes that do not achieve efficiency, environmental sustainability and/or equity.</li> <li>• Market failure, resulting in allocative inefficiency and welfare loss.</li> <li>• Resource overuse, resulting in challenges to environmental sustainability.</li> <li>• Inequity, resulting in inequalities.</li> <li>• Governments have policy tools which can affect market outcomes, and government intervention is effective, to varying degrees, in different real-world markets.</li> </ul>

<p>Macroeconomics 1: Why does economic activity vary over time and why does this matter?</p>	<p>Measuring economic activity and illustrating its variations. Variations in economic activity – aggregate demand and aggregate supply. Macroeconomic objectives. Economics of inequality and poverty.</p> <p>Conceptual understanding:</p> <ul style="list-style-type: none"> <li>• Change in the conditions of the demand and supply sides of the economy cause economic activity to vary over time.</li> <li>• Fluctuations in economic activity impact the economic well-being of individuals and societies.</li> <li>• Different schools of macroeconomic thought identify different causes and offer different solutions for</li> <li>• Macroeconomic problems.</li> </ul>
<p>Macroeconomics 2: How do governments manage their economy and how effective are their policies?</p>	<p>Monetary and fiscal policy. Supply-side policies.</p> <p>Conceptual understanding:</p> <ul style="list-style-type: none"> <li>• Government intervention attempts to achieve macroeconomic objectives through a choice of policies.</li> <li>• Political, economic, social and environmental factors are interdependent and will influence the effectiveness of government policies.</li> </ul>

<p><b>Grade 12</b></p>	
<p>The Global Economy 1: Who are the winners and losers of the integration of the world's economies?</p>	<p>Benefits of international trade. Types of trade protection. Arguments for and against trade control/protection. Economic integration. Exchange rates. Balance of payments.</p> <p>Conceptual understanding:</p> <ul style="list-style-type: none"> <li>• The increased interdependence of economies has benefits and costs.</li> <li>• Increased economic integration may result in efficiency, welfare gains and improvements in economic wellbeing but the benefits may not result in equity.</li> </ul>
<p>The Global Economy 2: Why is economic development uneven?</p>	<p>Sustainable development. Measuring development. Barriers to economic growth and/or economic development. Economic growth and/or economic development strategies.</p> <p>Conceptual understanding:</p> <ul style="list-style-type: none"> <li>• Perceptions of the meanings of development and equity change over time and vary across cultures.</li> <li>• Governments and other economic agents may intervene in</li> </ul>

	<p>an attempt to promote economic wellbeing and equity in societies.</p> <ul style="list-style-type: none"><li>• The pursuit of sustainability is subject to various constraints.</li><li>• Effective strategies should take account of the relevant social, economic, and political context.</li></ul>
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