



Cambridge AICE Economics

- PS 1 To demonstrate knowledge and understanding of scarcity, choice, resource allocation, and opportunity cost.
- PS 2 To know, understand, and apply factors of production, different allocative mechanisms, and functions of money.
- PS 3 To draw, explain, and manipulate production possibility curves while understanding the reasons for the shifts and movements along the curves.
- PS 4 To differentiate between productive and allocative efficiency and how competition influences economic efficiency.
- PS 5 To know, explain, and understand both supply and demand curves relative to influences, movements along the curve, shifts of the curve, and elasticities.
- PS 6 To know how supply and demand leads to equilibrium and disequilibrium, how equilibrium prices are set as well as consumer surplus and rationing in addition to allocative mechanisms.
- PS 7 To know and apply the law of marginal utility relative to demand schedules and curves.
- PS 8 To know short and long run production functions, fixed and variable factors of production, and law of diminishing returns.
- PS 9 To know, explain, and apply demand for labor, labor supply, wage determination, and union and government intervention, as well as economic rent.
- PS 10 To demonstrate knowledge and understanding of short and long run cost curves, internal and external economies of scale and growth and decline of firms in the marketplace.
- PS 11 To explain elasticity, marginal, average, and total revenue for a downward sloping demand curve.
- PS 12 To know and demonstrate what is meant by market structure in addition to motivations for firms including profit maximization, entry to markets and pricing structure.
- PS 13 To know, compare, and analyze various forms of competition relative to output, profits and efficiency.
- PS 14 To know externalities, market failures, and costs and benefits in conjunction with government influence.
- PS 15 To know, explain, and apply cost-benefit analysis, merit and demerit goods, price controls, subsidies, tax policy, and provisions of goods and services against a backdrop of government involvement.
- PS 16 To know what market failures are, why they happen, what causes market failures and allocative and productive efficiency not being achieved.
- PS 17 To know and analyze how governments correct market failure through various policies, how effective they are and the impacts of privatization on economic efficiency.
- PS 18 To know and explain trade flows with absolute and comparative advantages, free trade as well as protectionist policies and their effectiveness.
- PS 19 To demonstrate knowledge of economic integration, free trade areas, custom and economic unions, terms of trade as well as a country's balance of payments.
- PS 20 To know what constitutes a labor force, labor productivity and unemployment, how to measure them and show

their significance in government policy.

- PS 21 To know and determine aggregate demand and aggregate supply, how they impact prices and to explain the functions graphically.
- PS 22 To know what GDP is, how it is calculated and how growth rates are indicators of standards of living and economic development.
- PS 23 To explain what budgets are, how governments utilize them, deficit financing and the circular flow of income.
- PS 24 To know and apply the key principles of Keynesian and Monetarist views of how the macroeconomy works.
- PS 25 To understand aggregate expenditures, determination of national income, inflationary and deflationary gaps, income levels and full employment.
- PS 26 To know and apply multipliers, accelerators, and autonomous and induced investment.
- PS 27 To understand how the money supply can vary, how credit is created, how money supply, and how price level and output interact in addition to the various theories of interest rate determination.
- PS 28 To know and be able to explain what inflation is, causes of inflation, how inflation affects the well-being of a country, and long term impacts of high and low inflation.
- PS 29 To know what is meant by equilibrium and disequilibrium in the balance of payments, what causes disequilibrium, and the impacts on international and domestic economies.
- PS 30 To understand what foreign exchange rates are, how they are determined and the resulting fluctuations on world markets as well as the effects on the involved economies.
- PS 31 To understand differences between economic growth and economic development and how characteristics of developing economies are measured.
- PS 32 To know and explain the factors of economic growth, compare actual versus potential growth as well as causes and consequences of unemployment.
- PS 33 To know, analyze, and explain the relationship between balance of payments and inflation, internal, and external value of money and unemployment.
- PS 34 To understand how government interventions impact domestic economies in their balance of payments.
- PS 35 To know and explain what macroeconomic policies are on a global scale and how they assist economies of developing countries.
- PS 36 To know the effectiveness, conflicts and outcomes of fiscal, monetary, exchange rate, and supply-side policies.
- PS 37 To know how policies are used to control inflation, stimulate employment and economic growth, as well as correct balance of payments disequilibrium.
- PS 38 11-12.RH.3 Evaluate various explanations for actions or events and determine which explanation best accords with textual evidence, acknowledging where the text leaves matters uncertain.
- PS 39 11-12.RH.6 Evaluate authors' differing points of view on the same historical event or issue by assessing the authors' claims, reasoning, and evidence.
- PS 40 11-12.RH.7 Integrate and evaluate multiple sources of information presented in diverse formats and media (e.g., visually, quantitatively, as well as in words) in order to address a question or solve a problem.
- PS 41 11-12.RH.8 Evaluate an author's premises, claims, and evidence by corroborating or challenging them with other information.
- PS 42 11-12.WHST.1 Write arguments focused on discipline-specific content.

- a. Introduce precise, knowledgeable claim(s), establish the significance of the claim(s), distinguish the claim(s) from alternate or opposing claims, and create an organization that logically sequences the claim(s), counterclaims, reasons, and evidence.
- b. Develop claim(s) and counterclaims fairly and thoroughly, supplying the most relevant data and evidence for each while pointing out the strengths and limitations of both claim(s) and counterclaims in a discipline-appropriate form that anticipates the audience's knowledge level, concerns, values, and possible biases.
- c. Use words, phrases, and clauses as well as varied syntax to link the major sections of the text, create cohesion, and clarify the relationships between claim(s) and reasons, between reasons and evidence, and between claim(s) and counterclaims.
- d. Establish and maintain a formal style and objective tone while attending to the norms and conventions of the discipline in which they are writing.
- e. Provide a concluding statement or section that follows from or supports the argument presented.

PS 43 11-12.WHST.6 Use technology, including the Internet, to produce, publish, and update individual or shared writing products in response to ongoing feedback, including new arguments or information.