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12 ECO — ECONOMICS

RECOMMENDED LEVEL OF ATTAINMENT

Two Level 1 EBU Achievement Standards or competence in Level 1 English.

INTRODUCTION

Studying economics may not help you become rich but it will introduce you to an “economic way of thinking” that enables you to logically assess the pros and cons of different alternatives and make choices that are efficient and equitable. It does this by explaining, through economic models and statistics, the inter-relationship between key economic variables.

FUTURE PATHWAYS

13ECO, 13AGB, 13BUS.

CONTENT

The course examines New Zealand’s major macro-economic issues. The topics covered will be:

- What is child poverty, what are its causes and effects, how can we reduce it in NZ?
- Inflation robs you of buying power, making you worse off – what is inflation, what are its causes and effects and what can governments do to stabilise prices?
- Economic growth will increase your buying power making you better off – what is economic growth, what are its causes and effects and what can governments do to increase this growth?
- The government sets objectives to improve the performance of the economy – what policy packages should it choose to close the gap between us and Australia?

NCEA STANDARDS – 12ECO

Not all standards will necessarily be assessed.

	Level	Credits	UE Rdg.	UE Wrtg.	
External					
91224 v2	2	4	no	yes	Economics 2.3 - Analyse economic growth using economic concepts and models
Internal					
91226 v2	2	4	no	no	Economics 2.5 - Analyse statistical data relating to two contemporary economic issues
91227 v2	2	6	yes	no	Economics 2.6 - Analyse how government policies and contemporary economic issues interact
91228 v2	2	4	yes	no	Economics 2.7 - Analyse a contemporary economic issue of special interest using economic concepts and models

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13 ECO — ECONOMICS

RECOMMENDED LEVEL OF ATTAINMENT

Two Level 2 Economics standards or competence in Level 2 English including reading and writing and HOD interview.

INTRODUCTION

Economics is a study that analyses the processes that enable people and firms to exchange their limited goods and services in a way that ensures we get more of what we like and less of what we don’t like. The real value of economics lies in the insights which it gives into the way people are likely to behave in given circumstances.

FUTURE PATHWAYS

Tertiary studies, BCom.

CONTENT

The course focuses on the efficiency of free markets. But you will see that government intervention is justified if the aim is to achieve a more efficient or equitable outcome. Efficiency relates to how well an economy allocates scarce resources to meet the want and needs of consumers.

- Using markets to allocate scarce resources will often result in the best outcomes for society.
- Sometimes government intervention in markets is justified if they are failing.
- Making decisions at the margin (comparing the additional cash and benefits) maximises the gains for consumers and producers.

NCEA STANDARDS – 13ECO

Not all standards will necessarily be assessed.

	Level	Credits	UE Rdg.	UE Wrtg.	
External					
91400 v2	3	4	yes	yes	Economics 3.2 - Demonstrate understanding of the efficiency of different market structures using marginal analysis
91399 v2	3	4	yes	yes	Economics 3.1 - Demonstrate understanding of the efficiency of market equilibrium
Internal					
91401 v2	3	5	yes	no	Economics 3.3 - Demonstrate understanding of micro-economic concepts
91402 v2	3	5	yes	no	Economics 3.4 - Demonstrate understanding of government interventions to correct market failures