

**Personal, Social and Humanities Education
Key Learning Area**

**New Senior Secondary
Curriculum and Assessment Guide
(Secondary 4-6)**

Economics

(Provisional Final Draft of Curriculum Part)

Only the curriculum part (Chapters 1-3) of the Guide is provided here for reference. A complete draft of the Curriculum and Assessment Guide will be available in mid-2006.

Jointly prepared by the Curriculum Development Council and
the Hong Kong Examinations and Assessment Authority

January 2006

CONTENTS

	Page
Preamble	
Chapter 1 Introduction	1
1.1 Background	1
1.2 Rationale	1
1.3 Curriculum Aims	2
1.4 Curriculum Objectives	3
1.5 Broad Learning Outcomes	4
1.6 Interface with Basic Education and Post-secondary Pathways	4
Chapter 2 Curriculum Framework	7
2.1 Design Principles	7
2.2 Curriculum Structure and Organisation	8
Compulsory Part	10
Elective Part	22
Time Allocation	24
Chapter 3 Curriculum Planning	25
3.1 Guiding Principles	25
3.2 Progression of Studies	26
3.3 Curriculum Planning Strategies	28
3.4 Managing the Curriculum	30

Preamble

To facilitate the implementation of a flexible, coherent and diversified senior secondary curriculum, the Government of the Hong Kong Special Administrative Region (HKSAR) is adopting a 3-year senior secondary and 4-year undergraduate academic system as recommended by the Education Commission (EC) in 2000. Taking into consideration views and feedback collected from public consultation, the Education and Manpower Bureau (EMB) stated in its report¹ in 2005 that the implementation of the New Senior Secondary (NSS) Curriculum would commence in September 2009.

This Curriculum and Assessment (C&A) Guide is one of the series of documents prepared for the NSS Curriculum. It is based on the goals of senior secondary education and on other official documents related to the curriculum and assessment reform since 2000, including the Basic Education Curriculum Guide (2002) and the Senior Secondary Curriculum Guide (2006). To gain a full understanding of the connection between education at the senior secondary level and the basic education level, and how effective learning, teaching and assessment can be achieved, it is strongly recommended that reference should be made to all related documents.

The C&A guide is designed to provide the rationale and aims of the curriculum, followed by chapters on the curriculum framework, curriculum planning, pedagogy, assessment, supporting measures, etc. One key concept underlying the NSS Curriculum is that curriculum, pedagogy and assessment form a trinity. While learning and teaching strategies form an integral part of the curriculum and are conducive to promoting learning to learn and whole-person development, assessment should also be recognised not only as a means to gauge performance but also to improve learning. To understand the interplay between these three key components, the C&A Guide should be read in a holistic manner.

This C&A Guide is jointly prepared by the Hong Kong Curriculum Development Council (CDC) and the Hong Kong Examinations and Assessment Authority (HKEAA). The CDC is an advisory body that gives recommendations to the HKSAR Government on all matters relating to curriculum development for the school system from the kindergarten to the senior secondary level. Its membership includes heads of schools, practising teachers, parents, employers, academics from tertiary institutions, professionals from related fields/bodies, representatives from the HKEAA and the Vocational Training Council (VTC), as well as

¹ The report is “*The New Academic Structure for Senior Secondary Education and Higher Education – Action Plan for Investing in the Future of Hong Kong*”, and will be referred as the *334 Report* hereafter.

officers from the EMB. The HKEAA is an independent statutory body responsible for the conduct of public assessment, including the assessment for the Hong Kong Diploma of Secondary Education (HKDSE). Its governing council includes members drawn from the school sector, tertiary institutions, government bodies, professionals and members from the business community.

This C&A Guide is recommended by the EMB for use in secondary schools. The subject curriculum forms the basis of the assessment designed and administered by the HKEAA. In this connection, the HKEAA will issue a handbook to provide information on the structure and format of the public assessment of the subject and the relevant rules and regulations.

The CDC and HKEAA will keep the subject curriculum under constant review and evaluation in the light of classroom experiences, students' performance in the public assessment, and the changing needs of students and society. All comments and suggestions on this C&A Guide may be sent to:

Chief Curriculum Development Officer
(Personal, Social and Humanities Education)
Curriculum Development Institute
Education and Manpower Bureau
13/F Wu Chung House
213 Queen's Road East
Wanchai
Hong Kong
Fax: 2573 5299
E-mail: ccdopshe@emb.gov.hk

Chapter 1 Introduction

This chapter provides the background, rationale and aims of Economics as an elective subject in the new senior secondary curriculum, and highlights how it articulates with the junior secondary curriculum, post-secondary education, and future career pathways.

1.1 Background

The New Senior Secondary (NSS) Economics curriculum framework was formulated alongside the report on the *New Academic Structure for Senior Secondary Education and Higher Education — Action Plan for Investing in the Future of Hong Kong* (EMB, 2005) and the *Senior Secondary Curriculum Guide* (CDC, 2006). These two documents provide the overall direction for the development of senior secondary education in Hong Kong. This curriculum framework stipulated a combination of core and elective subjects, career-oriented studies and other learning experiences to suit individual interests and aptitudes. Economics is one of the elective subjects in this programme of study.

Economics is one of the six elective subjects of the Personal, Social and Humanities Education (PSHE) Key Learning Area (KLA) in the senior secondary curriculum. The study of Economics helps students to understand the human world through enquiring into how resources are used to serve individuals and society. It also contributes to the development of critical thinking and decision-making skills, which are crucial for the all-round development of students and, in particular, their development as life-long learners and responsible citizens.

The NSS Economics is designed to be a three-year elective course for all senior secondary students interested in the subject. The revised secondary 4-5 Economics curriculum (implemented in 2003) is the basis for the design of the new curriculum, with reorganisation of content, broadening of coverage and increased depth.

1.2 Rationale

Economics helps students understand the principles and forces that affect people in their everyday lives, in particular their roles as consumers and producers. The perspective it provides is also important in giving students a more comprehensive understanding of

contemporary issues facing our society and the country, as well as of the interdependence among regions and countries. As the Hong Kong economy is undergoing rapid changes, establishing closer links with the mainland and striving to remain competitive in the world economy, the study of Economics is highly relevant and applicable to real-life situations.

The study of Economics helps students to develop essential skills for ‘learning to learn’. The analytical approach of the subject enables students to learn to think logically. As students learn to apply theories and concepts to real-world issues, their problem-solving and critical thinking skills are enhanced. These skills are essential for becoming life-long learners in a variety of fields of study, and for preparing to live in a knowledge-based society. Students of Economics will also learn to master a variety of tools and skills for the effective communication of economic ideas and discussion of economic issues.

The Economics curricula in Hong Kong secondary education have a strong tradition in positive economics, which emphasises its objective and scientific nature. This curriculum goes further to encourage students to formulate and explore normative questions. As an area of study in which the making of choices is prominent, economics has much to contribute to enquiry into issues that involve values and preferences. When students investigate controversial issues, they will learn to draw conclusions based on logical analysis, and at the same time be made aware of the value judgments underlying the choices they make. Such analytical power and awareness are essential for making reasoned choices, as well as for developing intellectual capacity in general.

By developing students’ basic economic knowledge and skills, and awareness of different values, the curriculum will help them to make rational economic choices, both for their own lives and to decide on various social and public issues. The curriculum will also help to develop in students a concern for the well-being of the family, society, the nation and the world.

1.3 Curriculum Aims

The aims of this curriculum are to enable students to:

- (a) develop an interest in exploring human behaviour and social issues through an economic perspective;
- (b) understand the world in which they live through mastery of basic economic knowledge;
- (c) enhance their general intellectual capacity for lifelong learning, through developing their

capacities in economic analysis, so that they possess the skills necessary for reasoning about issues and making rational choices; and

- (d) participate as informed and responsible citizens in the decision-making processes of a modern democratic society.

1.4 Curriculum Objectives

1.4.1 Knowledge and Understanding

Students will develop knowledge and understanding about:

- (a) economic terminology and concepts, as well as elementary economic theories;
- (b) basic economic problems faced by every individual and society, and alternative approaches to tackling these problems;
- (c) the considerations and forces that underlie the economic decisions that need to be taken by individuals, firms, institutions and governments;
- (d) the interactions of different economic sectors; and
- (e) the Hong Kong economy and its relationship with the economies of other parts of the nation and the world.

1.4.2 Skills

Students will develop skills to

- (a) interpret economic information presented in verbal, numerical or graphical form;
- (b) apply their economic knowledge to a variety of problems and issues in a range of economic contexts;
- (c) analyse information through the use of economic concepts and theories;
- (d) evaluate information, arguments, proposals and policies from different economic perspectives and make informed judgements; and
- (e) communicate economic ideas and informed judgements, in a clear, logical and appropriate form.

1.4.3 Values and Attitudes

Students will develop values and attitudes so that they may:

- (a) participate as informed persons in the discussion of economic issues and decision-making; and
- (b) become active and responsible citizens and contribute to the well-being of the local community, the nation and the world.

1.5 Broad Learning Outcomes

By the end of the course, students are expected to become more economically literate decision-makers and should be capable of demonstrating the following:

- (a) An understanding of scarcity, choice and cost as the basis of economic problems;
- (b) An ability to relate the role of specialisation and exchange to productivity growth in an economy;
- (c) An understanding of how decisions concerning production, exchange and consumption – and the associated coordination problems – are being tackled by an economy through price and non-price methods of allocation, and the implications of these methods of allocation;
- (d) A proficiency in applying the basic demand-supply model to explain real-world events and, through extending these analyses, to study efficiency using a consumer surplus / producer surplus framework;
- (e) An ability to interpret economic fluctuation in output/employment and general price level in the economy using the AS-AD framework and the quantity theory of money;
- (f) An appreciation of the connection between the learner and his/her social environment at present and through time, developed through understanding of various economic agents, events, institutions and rules;
- (g) An ability to collate economic data and their different representations (e.g. graphs) to examine and interpret evidence to explain social patterns and events with the use of economic tools of analysis;
- (h) An ability to demonstrate competencies in generic skills such as communication, problem-solving and critical thinking through enquiry in economic issues and controversies; and
- (i) An orientation to and competencies in using information and communication technologies for enquiry learning and knowledge construction.

1.6 Interface with Basic Education and Post-secondary Pathways

The study of NSS Economics is built on the knowledge and skills students will have developed in the Junior Secondary education. These include the concepts and knowledge embedded in the six strands of the PSHE Curriculum. More specifically, Strand 5 – “Resources and Economic Activities” – gives a solid foundation for students to extend their enquiry in the NSS Economics curriculum. They will have developed a preliminary

understanding of elementary economic ideas and a general impression of the Hong Kong economy. Knowledge about the economic restructuring of Hong Kong and its closer ties with the mainland through, for example, the Mainland Hong Kong Closer Economic Partnership Arrangement (CEPA), and the implications of these developments for young peoples' career opportunities should be familiar to them. They should also have acquired basic enquiry skills through project learning (as one of the four key tasks to help students learn how to learn) in their study of different areas of humanities. Together with other learning experiences in the junior secondary education, students will have acquired key concepts and developed generic skills such as communicative and numeracy skills that support them in studying NSS Economics.

The study of this curriculum helps to foster the intellectual power of students, and develop economic perspectives that will benefit their further studies in tertiary institutions. Apart from economics, there are many other relevant areas for university study such as management/financial studies, law, environmental studies, and public and social administration for their choice. The perspectives, knowledge base and skills that are emphasised in NSS Economics should enhance students' choices.

This curriculum also blends well with courses which prepare students with practical skills for employment in various services sectors. Students taking Career-oriented Studies together with Economics in S5–S6 are adequately prepared for this path. Alternative avenues also exist which lead to professional qualifications such as sub-degree programmes and qualifications offered by professional institutions in their respective fields.

On completing senior secondary education, some students will enter the workplace directly. Their economic literacy, awareness and ability to make informed decisions will help them to cope with the demands of their ever changing work environment.

Chapter 2 Curriculum Framework

The curriculum framework for Economics embodies the key knowledge, skills, values and attitudes that students should develop at senior secondary level. It forms the basis on which schools and teachers can plan their school-based curriculum, and design appropriate learning, teaching and assessment activities.

2.1 Design Principles

The design of this curriculum is based on the following principles which are derived from those recommended in Chapter 3 of the Report on the *New Academic Structure for Senior Secondary Education and Higher Education — Action Plan for Investing in the Future of Hong Kong* (EMB, 2005), namely that this curriculum should:

- (a) build on the knowledge, skills, values and attitudes, and learning experience acquired and developed by students through their study of the PSHE Curriculum in Basic Education;
- (b) achieve a balance between breadth and depth in the study of Economics to facilitate students' preparation for further studies, entry into the workforce and whole-person development;
- (c) achieve a balance between the learning of theoretical knowledge and its application to real-life situations. Equal emphasis should be given to the development of systematic, conceptual knowledge in Economics and a better understanding of economic issues and problems relevant to the present and future lives of the students;
- (d) provide a flexible and diversified framework capable of catering for student diversity in abilities, needs and interests. The choice of curriculum elements should create enabling conditions for all young learners in the Economics classrooms so that success in learning can be realised for everyone;
- (e) help to develop independent and life-long learning skills in students through promoting student-centred enquiry;
- (f) encourage the exploration of social issues. The inculcation of values, a variety of perspectives and empathy should be emphasised in this curriculum; and
- (g) align curriculum and assessment closely, with assessment designed as an integral part of the process of learning and teaching.

2.2 Curriculum Structure and Organisation

The curriculum framework and content are developed on the basis of the revised Secondary 4-5 Economics curriculum (implemented in 2003), with a suitable restructuring of topics, broadening of coverage and increased depth.

Economics provides an interpretive framework for students to see the world in a more systematic way. This will equip learners with an enriched repertoire of ‘lenses’ through which they can comprehend realities better. With the addition of some normative issues in the curriculum, empathy, sensitivity and multi-perspectives can be more readily enhanced. The learner is empowered and preparation for future challenges can be more effectively achieved.

The core components, concepts and tools of analysis in this curriculum are outlined below:

- (a) This curriculum comprises two parts. The Compulsory Part is on basic concepts and topics in microeconomics and macroeconomics, which form the core of study for NSS Economics. The Elective Part comprises two modules from which students choose one. It constitutes 10% of the curriculum time. These electives include elements of extended analysis and broader economic knowledge, and provide greater flexibility for students to choose an area of study related to their aptitudes and interests.
- (b) The NSS Economics curriculum incorporates microeconomic core concepts and skills for the analysis of choice e.g. cost and value, and production and consumption. Specialisation is discussed as the basis for trade. Marginal analysis is introduced in the topic on firms and production, although the treatment is very elementary. Price mechanisms are introduced to enhance students’ understanding of one of the most important resource allocation mechanisms. Efficiency is then discussed so that students can have a more in-depth understanding of real-world issues with the help of the concepts of consumer/producer surplus. Equity, a concern that surfaces in many real-world issues is then introduced and helps in the analysis of cases and social problems/controversies. The concept through which equity is discussed as an issue is ‘income inequality’. The core of microeconomic analysis using demand and supply in a framework of choice is central to this curriculum. The more subtle message of how a social system influences human behavior through the shaping of incentives is embedded in this framework.
- (c) On the other hand, the performance of the economy as a whole has repercussions for the individual. This curriculum prepares students to understand the ‘big picture’ of the

economy. To achieve this, an elementary modelling tool is introduced to students. For the analysis of aggregate economic performance, the AS/AD approach is adopted. Students can use this simple tool to study factors affecting short-term economic fluctuations and the effect of government policy on the economy. Also, the quantity theory of money is brought in to explain inflation. Although this may be challenging for some students, it helps to make the explanatory tools for macroeconomic analysis more complete. Finally, the theory of comparative advantage is introduced to explain gains from trade.

As for the electives, one extends the analysis of monopoly and broadens knowledge in relationship to competitive policy. The other is to extend trade theory using the production possibility frontier and explores economic growth. Exposing students to stylised facts and factors concerning economic growth and development helps to increase their awareness of the dramatic economic development in the mainland and some Asian economies.

The Compulsory Part and Elective Part of the curriculum are tabulated below:

2.2.1 Compulsory Part

	Topic	Key Points
A	Basic Economic Concepts	Economics as a social science
		<p>Scarcity, choice and opportunity cost</p> <p>(i) The source of economic problems: scarcity</p> <ul style="list-style-type: none"> • Unlimited wants and limited resources • Free and economic goods <p>(ii) Choice and opportunity cost</p> <ul style="list-style-type: none"> • Economic decisions involving choices among alternatives • Concept of cost in economics • Interest as the cost of earlier availability of resources
		<p>The three basic economic problems</p> <p>(i) What to produce? How to produce? For whom to produce?</p> <p>(ii) How society tackles the basic economic problems</p> <ul style="list-style-type: none"> • By society's customs and traditions • By government decisions • By the market mechanism <p>(N.B. Illustrations by examples only. All theories on types of economic systems NOT required)</p> <p>(iii) Private property rights and its importance in a market economy</p>
		<p>Specialization and exchange</p> <ul style="list-style-type: none"> - Exchange as a condition for specialization <p>Circular flow of economic activities</p> <p>(i) Consumption of households and production of firms</p> <p>(ii) The relationship among production, income and expenditure</p>
		<p>Positive and normative statements</p> <ul style="list-style-type: none"> - Distinction between positive statements from normative statements

	Topic	Key Points
B	Firms and Production	<p>Ownership of firms (N.B. Firm as a unit that makes decisions regarding the employment of factors of production and the production of goods and services)</p> <p>(i) Forms of ownership</p> <ul style="list-style-type: none"> • Public ownership • Private ownership: sole proprietorship, partnership and limited company (N.B. Classification of partnership NOT required) <p>(ii) Limited and unlimited liability</p> <p>(iii) Shares and bonds as sources of capital (N.B. Classification of shares and bonds NOT required)</p>
		<p>Types/stages of production</p> <ul style="list-style-type: none"> - Primary, secondary and tertiary production and their inter-relationship
		<p>Types of goods and services produced</p> <p>(i) Goods and services</p> <p>(ii) Producer and consumer goods</p> <p>(iii) Private and public goods (N.B. Modeling regarding public goods NOT required)</p>
		<p>Division of labour</p> <p>(i) Types: simple, complex and regional</p> <p>(ii) Advantages and disadvantages</p> <p>(iii) Limitations</p>

	Topic	Key Points
		<p>Factors of production</p> <p>(i) Human resources</p> <ul style="list-style-type: none"> • Labour: supply, productivity, mobility and different methods of wage payments • Entrepreneurship: risk-bearing and decision-making <p>(ii) Natural resources</p> <ul style="list-style-type: none"> • Land: supply <p>(iii) Man-made resources</p> <ul style="list-style-type: none"> • Capital: accumulation and depreciation <p>(iv) The features of (i) to (iii) in Hong Kong</p>
		<p>Production and costs in the short run and long run</p> <p>(i) Definition of short-run and long-run</p> <ul style="list-style-type: none"> • In terms of fixed and variable factors of production. <p>(ii) Law of diminishing marginal returns</p> <ul style="list-style-type: none"> • Illustration by total product, average product and marginal product schedules only. <p>(iii) Cost of production</p> <ul style="list-style-type: none"> • Fixed and variable costs • Total, marginal and average cost of production (N.B. General relationship between total, marginal and average cost curves NOT required. Relationship between short run and long run cost curves NOT required.) <p>(iv) Economies and diseconomies of scale</p> <ul style="list-style-type: none"> • Internal economies and diseconomies of scale • External economies and diseconomies of scale (N.B. Economies and diseconomies of scale illustrated by average cost. Further classification of internal and external economies and diseconomies of scale NOT required) <p>(v) Expansion and integration of firms</p> <ul style="list-style-type: none"> • Types: vertical, horizontal, lateral and conglomerate • Motives

	Topic	Key Points
		<p>The objectives of firms:</p> <p>(i) Profit maximization with given price and marginal cost schedule</p> <ul style="list-style-type: none"> • Meaning of profit as the difference between total revenue and total cost • Profit-maximizing choice of output for individual firms with given prices and marginal cost schedule • The marginal cost schedule as the supply schedule of individual firms <p>(N.B. Long run supply NOT required)</p> <p>(ii) Other objectives: market share, provision of non-profit making services, corporate social responsibility, etc.</p>
C	Market and Price	<p>Individual demand</p> <p>(i) Factors affecting individual demand</p> <p>(ii) Complements and substitutes, superior and inferior goods (N.B. Giffen goods NOT required)</p> <p>(iii) Individual demand schedule and importance of the <i>ceteris paribus</i> assumption</p> <p>(iv) Difference between change in quantity demanded and change in demand</p>
		<p>Market demand</p> <p>(i) Horizontal summation of individual demand curves</p> <p>(ii) Factors affecting market demand</p>
		<p>Individual supply</p> <p>(i) Factors affecting individual supply</p> <p>(ii) Individual supply schedule and importance of the <i>ceteris paribus</i> assumption</p> <p>(iii) Difference between change in quantity supplied and change in supply</p>
		<p>Market supply</p> <p>(i) Horizontal summation of individual supply curves</p> <p>(ii) Factors affecting market supply</p>

	Topic	Key Points
		<p>Interaction between demand, supply and price</p> <p>(i) Definition of equilibrium: no tendency to change</p> <p>(ii) Equilibrium price and quantity</p> <p>(iii) Effects of change in demand and/or change in supply on equilibrium price and quantity</p>
		<p>Consumer and producer surplus</p> <p>(i) Marginal benefit to consumers, maximum willingness to pay, consumer surplus, demand curve and their relationship.</p> <p>(ii) Marginal cost of firms, minimum supply-price, producer surplus, supply curve and their relationship.</p> <p>(iii) Illustrate consumer surplus and producer surplus in a demand-supply diagram.</p> <p>(N.B. Concepts of utility, marginal rate of substitution, and indifference curves NOT required.)</p>
		<p>Functions of prices</p> <p>(i) Rationing function: existing supplies are distributed to users with highest value.</p> <p>(ii) Allocative function:</p> <ul style="list-style-type: none"> • Demand is derived from marginal benefit, and supply is derived from marginal cost, and then price and allocation are determined. • Resource deployment through changes in relative prices. <p>(N.B. Graphical analysis NOT required)</p>
		<p>Price elasticity of demand</p> <p>(i) Arc elasticity (N.B. Point elasticity, cross elasticity and income elasticity NOT required)</p> <p>(ii) Relationship between price elasticity and total revenue</p> <p>(iii) Factors affecting price elasticity of demand</p>
		<p>Price elasticity of supply</p> <p>(i) Arc elasticity (N.B. Point elasticity and cross elasticity NOT required)</p> <p>(ii) Factors affecting price elasticity of supply</p>

	Topic	Key Points
		<p>Market intervention</p> <p>(i) Price intervention: price ceiling and price floor</p> <p>(ii) Quantity intervention: quota</p> <ul style="list-style-type: none"> • Illustration of quota by a kinked supply curve <p>(iii) Unit tax and unit subsidy</p> <ul style="list-style-type: none"> • Determination of the share of the tax burden/subsidy between producers and consumers <p>(N.B. Graphical illustration of price ceiling, price floor, quota, unit tax and unit subsidy and their impact on price and quantity)</p>
D	Competition and Market Structure	<p>Perfect competition and imperfect competition (monopolistic competition, oligopoly and monopoly)</p> <p>(i) Definition of market</p> <p>(ii) General features</p> <ul style="list-style-type: none"> • Number of sellers • Number of buyers • Nature of product • Ease of entry • Availability of information • Price taker/price searcher <p>(iii) Sources of monopoly power</p> <p>(N.B. The four different forms of market structure are theoretical constructs. Actual examples may only be approximations of the above constructs. General analysis with marginal revenue and marginal cost curves NOT required.)</p>

	Topic	Key Points
E	Efficiency, Equity and the Role of Government	<p>Efficiency</p> <p>(i) Conditions for efficiency: Maximization of total social surplus; marginal benefit equals marginal cost.</p> <p>(ii) Deviations from efficiency:</p> <ul style="list-style-type: none"> • Price ceiling, price floors, taxes, subsidies and quota • Deadweight loss <p>(iii) Divergence between private and social costs (benefits): market versus government solutions, illustrated by examples ONLY</p> <p>(N.B. Graphical analysis with illustration of consumer surplus and producer surplus in a demand-supply diagram only. The terminology 'Pareto condition' NOT required)</p>
		<p>Equity</p> <p>(i) Efficiency and equity in a market economy</p> <p>(ii) Measuring income inequality: income distribution, Lorenz curve and Gini coefficient (N.B. Construction of the Lorenz Curve and Gini coefficient NOT required).</p> <p>(iii) Sources of income inequality: human capital (e.g. skill differentials), discrimination and unequal ownership of capital etc.</p>
		<p>Policy concerns</p> <p>(i) Equalizing income or equalizing opportunities</p> <p>(ii) Disincentive effects of taxes and transfers</p> <p>(iii) Trade off between equity and efficiency</p>

	Topic	Key Points
F	Measurement of Economic Performance	<p>National income</p> <p>(i) National income as a general term for aggregates like Gross Domestic Product (GDP) and Gross National Product (GNP)</p> <p>(ii) Gross Domestic Product (GDP)</p> <ul style="list-style-type: none"> • The three approaches to measure GDP: production approach (value-added approach), income approach, expenditure approach (N.B. Components of GDP compiled under the income approach NOT required) • GDP at current and constant market prices • GDP at factor cost • GDP per capita; growth rate of GDP (N.B. Other measures related to GDP NOT required.) <p>(iii) GNP as GDP plus net income from abroad (N.B. Other measures related to GNP NOT required.)</p> <p>(iv) Uses and limitations of national income statistics as an indicator of economic welfare and for international comparison (N.B. Human development index NOT required)</p>
		<p>General price level as measured by Consumer Price Index and implicit price deflator of GDP (N.B. Construction of CPI and implicit price deflator of GDP NOT required)</p>
		<p>Unemployment and underemployment rates as measured in terms of the percentage of unemployed and underemployed persons in the labour force</p>
		<p>Recent trends of national income, general price level and unemployment in Hong Kong</p>

	Topic	Key Points
G	National Income Determination and Price Level	<p>Aggregate demand</p> <p>(i) Reasons for a downward sloping AD curve</p> <p>(ii) Determinants of aggregate demand:</p> <ul style="list-style-type: none"> • Private consumption expenditure, which in turn depends on disposable income, the desire to save, wealth (value of assets), interest rate etc. • Investment expenditure, which in turn depends on business prospect, interest rate, etc. • Government expenditure • Net exports, which in turn depends on the economic conditions of trading partners, exchange rate, etc. <p>(N.B. Derivation of the AD curve, magnitude of the shift in the AD curve and factors affecting the slope of the AD curve NOT required)</p>
		<p>Aggregate supply</p> <p>(i) Reasons for an upward sloping short-run AS curve</p> <p>(ii) Reasons for a vertical long-run AS curve</p> <p>(iii) Factor endowments (labour, capital, land) and technological changes affecting the AS curve</p> <p>(N.B. Explanation by the Phillips curve and magnitude of the shift of the AS curve NOT required)</p>
		<p>The determination of level of output and prices</p> <p>(i) Determination of the equilibrium level of output and price level in the AS-AD model</p> <p>(N.B. Quantity Theory of Money NOT required)</p> <p>(ii) Changes in the equilibrium level of output and price level caused by change(s) in the AD and/or AS</p> <p>(iii) Relationship between employment and output level</p> <p>(N.B. Interest rate is treated as exogenously determined)</p>

	Topic	Key Points
H	Money and Banking	<p>Money</p> <p>(i) Definition of money</p> <p>(ii) Nature and functions of money</p>
		<p>Banks: functions and services</p> <p>(i) Commercial banks and central bank</p> <p>(ii) Licensed banks, restricted licensed banks and deposit-taking companies in Hong Kong</p> <p>(iii) How central banking functions are performed in Hong Kong</p>
		<p>Money supply</p> <p>(i) Definitions of money supply in Hong Kong</p> <p>(ii) Credit creation/contraction and the banking multiplier</p>
		<p>Money demand</p> <p>(i) Meaning of transactions demand for money and asset demand for money</p> <p>(ii) Money demand as a function of nominal interest rate and income</p>
		<p>Determination of interest rate in the money market</p> <p>– Interaction of money supply and money demand</p>
		<p>Hong Kong as a financial centre</p> <p>(i) Factors contributing to its development as a financial centre</p> <p>(ii) Effects on the Hong Kong economy</p>
I	Macroeconomic Problems and Policies	<p>Business cycles: a description of the short-run fluctuations in real GDP around the long-run trend</p> <p>(N.B. Theories of business cycles NOT required)</p>
		<p>Inflation and deflation</p> <p>(i) Definitions of inflation and deflation</p> <p>(ii) Relationship between nominal and real interest rates</p> <p>(iii) Redistributive effects</p> <p>(iv) Inflation and Quantity Theory of Money</p> <p>(N.B. Velocity of circulation of money assumed to be constant)</p>

	Topic	Key Points
		<p>Unemployment</p> <p>(i) Meaning of unemployment</p> <p>(ii) Meaning of underemployment</p> <p>(iii) Cost of unemployment</p> <p>(N.B. Phillips curve NOT required.)</p>
		<p>Fiscal policy</p> <p>(i) Meaning of fiscal policy</p> <ul style="list-style-type: none"> • Definition of budget; surplus budget, deficit budget and balanced budget • Taxation: <ul style="list-style-type: none"> – Principles – Classification <ul style="list-style-type: none"> - Direct and indirect taxes - Progressive, proportional and regressive taxes • Public expenditure: classification by function <p>(N.B. With special reference to Hong Kong)</p> <p>(ii) Effect of fiscal policy on the the level of output and price</p>
		<p>Monetary policy</p> <p>(i) Meaning of monetary policy</p> <p>(ii) Effect of monetary policy on the level of output and price</p>

J	International Trade and Finance	<p>Free trade and trade barriers</p> <p>(i) Absolute advantage; comparative advantage and gains from trade (N.B. Illustration by the production-possibility frontier NOT required)</p> <p>(ii) Using the pattern of trade in Hong Kong to illustrate the principle of comparative advantage</p> <p>(iii) Importance of trade to Hong Kong's economy</p> <p>(iv) Trade barriers:</p> <ul style="list-style-type: none"> • Types • Effects of tariff and quota on price and output for a small open economy <p>(v) Trade barriers faced by Hong Kong and attempts to overcome them</p> <ul style="list-style-type: none"> • Trade promotion • Role of the HKSAR Government • Role of international economic institutions (e.g. World Trade Organisation)
		<p>Brief introduction to the balance of payments account</p> <ul style="list-style-type: none"> • Current account <ul style="list-style-type: none"> – Main components of the current account: goods, services, income and current transfers (N.B. Sub-classification of these components NOT required) • Capital and financial account (N.B. Sub-classification of this account NOT required)
		<p>Exchange rate</p> <p>(i) Meaning of exchange rate (N.B. Graphical analysis NOT required)</p> <p>(ii) Effect of a change in the exchange rate on import price and export price</p> <p>(iii) Brief introduction to the linked exchange rate system in Hong Kong (N.B. Mechanism of maintaining the linked exchange rate NOT required)</p>

2.2.2 Elective Part

Elective 1

Topic	Key Points
Monopoly pricing	<p>(i) Simple monopoly pricing</p> <ul style="list-style-type: none">• Determination of price and output• Efficiency implications <p>(N.B. Graphical and numerical illustration with given demand, marginal revenue and marginal cost curves)</p> <p>(ii) Price discrimination</p> <ul style="list-style-type: none">• Meaning of price discrimination• Types: First, second and third degree price discrimination• Conditions for different types of price discrimination <p>(N.B. Price and output determination NOT required)</p>
Anti-competitive behaviours and competition policy	<p>(i) Major forms of anti-competitive practices</p> <ul style="list-style-type: none">• Horizontal agreements among competitors: agreements to restrict prices and output• Vertical agreements between buyers and sellers• Mergers: horizontal mergers, vertical mergers and potential competition mergers <p>(ii) The impact of anti-competitive practices</p> <p>(N.B. Graphical analysis NOT required)</p> <p>(iii) Justifications and concerns for competition policy</p>

Elective 2

Topic	Key Points
Extension of trade theory	<p>(i) Illustration of comparative costs and gain from trade with the aid of production possibilities frontier (N.B. The use of indifference curve NOT required)</p> <p>(ii) Comparative advantage and its relation to globalization</p>
Economic growth and development	<p>(i) Measurement of economic growth and development</p> <ul style="list-style-type: none">• Changes in real GDP• Per capita real GDP• Human development index <p>(ii) Factors affecting growth of an economy</p> <ul style="list-style-type: none">• Inputs: physical capital, human capital, natural resources, technological change• Policies: saving and investment, foreign direct investment, trade, education, population, property rights, research and development <p>(N.B. The analytical framework of aggregate production function and the theories and models of economic growth NOT required.)</p> <p>(iii) The desirability and costs of economic growth</p> <ul style="list-style-type: none">• Current versus future consumption• Growth, living standard and income distribution• Resources exhaustion, pollution and sustainable development <p>(iv) International/regional comparison</p>

2.2.3 Time Allocation

	Topic	Suggested lesson time (hours)
Compulsory Part	A Basic Economic Concepts	12
	B Production and Firms	30
	C Market and Price	32
	D Competition and Market Structure	8
	E Efficiency, Equity and the Role of Government	18
	F Measurement of Economic Performance	12
	G National Income Determination and Price Level	16
	H Money and Banking	18
	I Macroeconomic Problems and Policies	30
	J International Trade and Finance	18
Elective Part	Elective 1: Monopoly Pricing/ Anti-competitive Behaviours and Competition Policy; OR Elective 2: Extension of Trade Theory/ Economic Growth and Development	22
	Sub-Total	216
	Suggested time allocation for conducting learning activities such as news commentary and other enquiry activities	54
	Total	270

Chapter 3 Curriculum Planning

This chapter provides guidelines to help schools and teachers to develop, in accordance with the central framework provided in Chapter 2, a flexible and balanced curriculum that suits the needs, interests and abilities of their students, and the contexts of schools.

3.1 Guiding Principles

To enhance the effectiveness of learning and teaching Economics, teachers are encouraged to consider adopting appropriate planning to develop a balanced and coherent curriculum which enables students to take an active role in economic enquiry.

The following are principles for planning the Economics curriculum in school:

- (a) The curriculum rationale, school contexts and student characteristics should be considered as a whole in determining how Economics can help to prepare students for adulthood. A systems perspective is better than a piece-meal approach.
- (b) Students' prior knowledge, especially their exposure in their junior secondary curriculum, should form the basis for planning.
- (c) A proper sequence of concepts and skills should be observed so that ideas of "easy to difficult", "concrete to abstract", "specific to general" etc. can be adhered to. This is especially important for topics with clear linearity in content arrangement. Key ideas and concepts should be applied and reinforced in different economic contexts at different stages of the learning process.
- (d) The curriculum plan should provide opportunities for a wide range of learning activities to provide challenge for students of different abilities. The presence of optimal challenge, engagement in learning tasks and the social dimensions of learning should be considered in planning and sequencing learning activities.
- (e) Consideration should be given to collaboration with other disciplines in various Key Learning Areas so as to foster greater coherence between Economics and other subjects.
- (f) The programme should prepare students adequately for further study at the tertiary level; at the same time, it should provide an equally valuable learning experience for those who leave the subject at the end of the third year.

3.2 Progression of Study

Core concepts and ideas which are fundamental in helping students to see the relevance of Economics to their lives and supporting their understanding of other topics should be introduced at an early stage. In sequencing topics, one should also consider the maturity of students and their concerns. Topics that are more ‘distant’ or unfamiliar to them should be scheduled later, as should abstract concepts which require complex and simultaneous operations.

In designing the curriculum in Economics for NSS, it is assumed that S4 students’ participation in and exposure to macroeconomics variables and events will be very limited compared to their daily experience in making choices and in their role as consumers. Hence, it is recommended that:

- Economics concepts like cost, choices, production, firm and prices will be introduced at the beginning of the course.
- Macroeconomics can be introduced at around late S4 or S5, with GDP measurement and AS/AD analysis as the focus. Then, more analytical micro-topics such as efficiency can be considered.
- By S5, students will be quite well equipped with essential tools for analysing cases and phenomena reported in the news. Application of these tools should be encouraged in School-based Assessment tasks.
- Comparative advantage and other topics on trade can be introduced either in late S4, late S5 or the beginning of S6, depending on the readiness of students and curriculum scheduling considerations.
- The electives have components which extend previously learned elements. There are also elements that serve to broaden economic knowledge. It is, therefore, recommended that the chosen elective should be implemented in S6.

A diagrammatic representation of a possible arrangement may look like this (please refer to Appendix A for details):

<p>Scarcity , Cost , Choice; Production</p> <p>Market structure</p> <p>GDP measurement</p> <p>AS/AD approach</p>	<p>Market and prices</p> <p>Money and banking</p> <p>Fiscal and monetary policies</p> <p>Efficiency and Equity</p>	<p>Trade and comparative advantages</p> <div>Elective</div>
--	--	---

S4

S5

S6

Teachers' judgment is crucial in sequencing more abstract and powerful tools of economic analysis such as supply-demand/AS-AD. Introducing these tools in late-S4/early-S5 may help more academically inclined students to grasp them earlier so that they can explain events around them better, as well as providing an incentive for them to pursue their studies further in this discipline. An arrangement might be represented as below (please refer to Appendix B for details):

<p>Scarcity, Cost, Choice; Production</p> <p>Market and prices</p> <p>GDP measurement</p> <p>AS/AD approach</p>	<p>Money and banking</p> <p>Fiscal and monetary policies</p> <p>Market structure</p> <p>Efficiency and Equity</p>	<p>Trade and comparative advantages</p> <div>Elective</div>
---	---	---

S4

S5

S6

However, where student groups are more diverse (in terms of motivation or cognitive readiness), the strategy should focus on the design of authentic learning experiences so that their engagement can be significant and sustainable.

To summarise, there is no one best prescription for teaching/learning sequence for all. It is an area in which teachers' expert judgment is important. Two detailed examples of teaching sequences are attached in Appendix A & B (p. 35 – 36) for teachers' reference.

3.3 Curriculum Planning Strategies

Design of optimal learning experiences in the NSS Economics curriculum is both an art and a science. Research findings and knowledge developed through professional practice give teachers a rational foundation for planning. However, judgment about what is best for students, given the choices of strategies and methods available, is an art. Teachers should gather adequate information about their learners and contexts through stock-taking so that they can exercise professional judgment prudently. For a more student-centred approach, teachers are encouraged to consider the following strategies in planning their curriculum:

3.3.1 Integrating Classroom Learning and Independent Learning

In the classroom, a teacher can provide many learning opportunities for each student. For a long-lasting impact, students should be encouraged to become independent learners. Fostering intrinsic motivation through a conscious effort to use authentic cases and observations in making economic explanations fun and interesting is of paramount importance. Designing meaningful learning tasks in and outside the classroom should be a part of teachers' planning considerations. Teachers could consider having more explicit policy guidelines on ways of minimising rote-learning and excessive competition among individual learners in their curriculum plans.

3.3.2 Catering for Learner Diversity

Students differ in their attention levels and their ability to receive and interpret messages. Teachers are encouraged to adopt a variety of learning and teaching approaches. For example, other than an expository approach, they can involve students in hands-on tasks, communicating with peers, presenting ideas, commenting on social events, producing authentic drawings for an idea on blackboard, doing searches on the Internet etc. so that they can develop their strengths in these tasks and gain competencies, confidence and a sense of achievement. Only in this way can learning opportunities be optimised for most students.

3.3.3 Building a Learning Community Amongst the Students

The concept of a learning community should also be considered as a strategy in curriculum planning. Students should be given ample challenging tasks which involve collaboration and let them see their own success. The teacher facilitates, guides and monitors. A free flow of ideas and insights, with the teacher's pivotal input at times, generates a self-perpetuating learning cycle in a student learning community. This should be one of the planning targets for Economics teachers.

3.3.4 Flexible Class Organisation

To facilitate learning, the use of class time and teacher resources can be explored for schools with two or more Economics classes at a level. Learning activities in a large group may be combined with small group tutoring with the same level of teacher resources. For example, block time-tabling may allow flexibility in staff deployment for varied learning activities. In an afternoon block, two classes may be involved in enquiry projects with the support of two teachers and two assistants in Economics; and in the next cycle, the block is used for lecturing or group learning activities in the school hall, requiring only one Economics teacher. This arrangement, when interlaced with other subjects, can provide much needed variety in learning activities with the same staffing complement.

3.3.5 Cross-curricular Planning

Economics provides powerful tools and perspectives for students. To maximise student learning, cooperation with other elective subjects should also be considered. For instance, the study of efficiency and equity issues in pollution can produce very worthwhile experiences for students if Geography and/or Liberal Studies are also focusing on this topic in the same period. Many approaches to social issues demand multi-disciplinary insights. For a rich learning experience, teachers can design tasks such as enquiry projects on 'Avian Flu and patented medicine' in which Economics teachers work with Biology or Liberal Studies teachers. This will also show students that subject boundaries are not an issue for learning. The interweaving of similar concepts through different or seemingly unconnected contexts across subjects will have a strong and long-lasting impact on students, and be rewarding for teachers. Systematic collaboration with other disciplines to foster greater coherence between Economics and the other subjects can be considered when the conditions for doing so are favourable. Collaboration in the form of a cross-curricular unit can be the starting point.

3.3.6 Synchronization of Content Elements with Authentic Learning Opportunities

Some social/public events are directly related to content covered in Economics – such as the government’s announcement of the annual budget in February (curriculum topic on taxation), and business opportunities for the public in bazaars in major public parks before the Lunar New Year (topics on business ownership/market structure). Other opportunities for learning can be scheduled such as a visit to the airport (topic on tertiary production). The matching of these opportunities with the timing of relevant content components will enhance student learning.

3.3.7 Integrating Learning with Assessment

Learning should be supported by assessment, or assessment (in a learner-controlled mode such as reflective journals) can be part of learning. NSS Economics stresses the pivotal role of continuous, formative assessment in providing feedback to students for improvement. For assessment information to be helpful, an overall supportive social setting is essential, with minimising the negative impact of summative assessment being an enduring concern. The sequence of learning tasks should, therefore, be designed in such a way that content and activities that have high student involvement, interaction and reflection are given a higher priority. This would help to maintain students’ motivation and investment of effort.

3.4 Managing the Curriculum

3.4.1 Areas of Work

In managing the NSS Economics curriculum, teachers should consider the following:

(a) Understanding the Curriculum and Learning Context

- Understand the *Senior Secondary Curriculum Guide* (CDC, 2006) and the *New Senior Secondary Economics Curriculum and Assessment Guide* (CDC & HKEAA, 2006) with a view to adapting the central curriculum for school-based curriculum development;
- Consider the community culture and the changing needs of society while negotiating the curriculum plan;
- Make references to the school’s vision and mission, strengths and policies, as well as students’ abilities and interests, for major curriculum decisions;
- Have a shared vision of Economics education and a clear understanding of the aims, objectives and learning outcomes of the Economics curriculum; and
- Be committed and enthusiastic in collaborating with colleagues in cultivating a positive learning environment for Economics.

(b) Planning and Implementing the Curriculum

- Design and implement schemes of work to help students achieve the curriculum aims and learning objectives of the Economics curriculum;
- Design modes of assessment and tasks to promote assessment for learning;
- Put in place the arrangements that will best meet students' needs and enhance progress and achievements in learning;
- Articulate explicitly professional knowledge generation and consolidation by adopting, for example, "tacit-explicit knowledge" approach or maximizing pedagogical content knowledge as proposed by Shulman (1987, see diagram in appendix C); and
- Develop a collaborative teaching and learning culture to enhance the effective delivery of the NSS curriculum. Teachers may consider various possibilities, such as:
 - ♦ establishing a team-teaching culture in order to share teaching experience;
 - ♦ dividing teaching responsibilities at the same level with a view to maximizing individual expertise when the situation allows;
 - ♦ creating a learning environment within the school through sharing and networking with other schools; and
 - ♦ exploring time-tabling arrangements that can enable collaborative learning or professional development among teachers.

(c) Evaluating the Curriculum

- Improve the implementation of the Economics curriculum continuously through action research, collaborating with colleagues/experts etc.;
- Review the curriculum regularly in accordance with the learning and teaching context and make adjustments whenever necessary;
- Establish a system of curriculum evaluation with teachers' full participation and ownership, and record evidence of student learning/achievements; and
- Support students in reflecting, regulating and controlling their own learning through the design of class activities that promote active learning.

(d) Developing Resources

- Develop, collect and organise learning and teaching resources such as articles, reports, videos and software for student learning and teacher reference, and provide easy access to them;
- Make effective use of school and community resources to facilitate student learning; and
- Expand learning and teaching resources through the use of information and communication technologies.

(For more ideas on learning and teaching resources, please refer to Chapter 6 “Effective use of Learning and Teaching Resources”.)

(e) Building Capacity

- Keep abreast of the latest curriculum developments, teaching strategies and subject knowledge;
- Reflect on practice through video-taping lessons, if possible, with support from peers for more in-depth analysis and alternative views;
- Explore and use knowledge creation processes (e.g. peer collaboration in lesson and planning/observation with pre-/post- conferencing);
- Build networks with other schools for sharing and developmental purposes; and
- Inculcate trust among colleagues through professional discourse and ‘anchor’ good practices in Economics learning and teaching – a fundamental requirement for the success of the above.

(f) Managing Change

- Teachers should refer to the latest versions of the *NSS Economics Curriculum and Assessment Guide* (CDC & HKEAA, 2006) to make necessary changes in planning their schemes of work;
- Changes in the paradigm and practice of teaching should build on trust, professionalism and the ability to deliver a curriculum satisfactorily;
- Changes in practice should be evidence-based and research-based, with continuous reflection on curriculum objectives and achievements;
- Decisions to change professional practices should be based on communication and a free flow of information about learning and teaching; and
- Changes in the culture and professional norms should be used as indicators of the success of change management.

3.4.2 Roles of Different Stakeholders

Principals, PSHE/Economics panel chairpersons, Economics teachers and parents play different roles in the planning, development and implementation of the school-based Economics curriculum. A concerted effort is vital in developing and managing the curriculum.

(a) Economics Teachers

- Keep abreast of the latest changes in curriculum, learning and teaching strategies and assessment practices;

- Contribute to Economics curriculum development, implementation and evaluation, and suggest strategies for learning, teaching and assessment;
- Develop students' potential in learning Economics, and encourage them to learn actively;
- Participate actively in professional development, peer collaboration and professional exchange; and
- Participate in educational research and projects, to contribute to learning and teaching in Economics.

(b) PSHE KLA Co-ordinators / Economics Panel Chairpersons

- Lead and plan the Economics curriculum development, and set clear directions for it;
- Monitor the implementation of the curriculum, and make appropriate adjustments in strategies for learning, teaching and assessment, with due consideration to students' needs;
- Facilitate professional development by encouraging panel members to participate in training courses and workshops;
- Hold regular meetings (both formal and informal) with panel members to strengthen coordination and communication among them;
- Promote professional exchange on subject knowledge and learning and teaching strategies; and
- Make the best use of resources available in the school and community.

(c) Principals

- Understand students' strengths and interests, as well as the significance of Economics learning;
- Take into consideration students' needs, school context and the central curriculum framework in formulating the curriculum, as well as instructional and assessment policies;
- Coordinate the work of KLA leaders and subject panels, and set clear targets in curriculum development and management;
- Empower and support PSHE KLA Co-ordinators / Economics panel chairpersons and teachers to promote a culture of collaboration among teachers and to facilitate the learning and teaching of Economics;
- Understand the strengths of teachers, and deploy them flexibly to teach student groups with different characteristics;
- Convey a clear message to parents regarding the significance of Economics education; and
- Build networks among schools, community sectors and various organisations at management level to facilitate the development of the curriculum.

(d) Parents

- Support the development of the Economics curriculum;
- Encourage their children to learn more about the social/economic phenomena around them (especially through the media) to increase their awareness and sensitivity;
- Actively communicate with their children on economic issues in which they show interest; and
- Understand the value of economics education, and encourage and support their children in enquiry learning.

In sum, curriculum planning needs to take curriculum intentions into consideration and devise a deliverable plan with compatible resources so that students' aspirations and potential can be realised. Professional knowledge is the key. Teachers need to adopt a student-centred teaching style to stimulate students' learning, interest and motivation. Through diversified practical learning activities, students gain personal experiences, and develop linkages to their daily lives, as well as skills in critical thinking, independent learning and an increased disposition to collaboration. Teachers should also adopt a range of modes of assessment, and use formative and summative assessment flexibly in order to assess students' performance comprehensively and gauge their development in generic skills, values and attitudes. Please refer to Chapters 4 and 5 for further suggestions on learning, teaching, and assessment strategies.

Example of Teaching Sequence 1:
classes of students with more diverse ability and aptitude

APPENDIX A

Student's
connection
with the
world

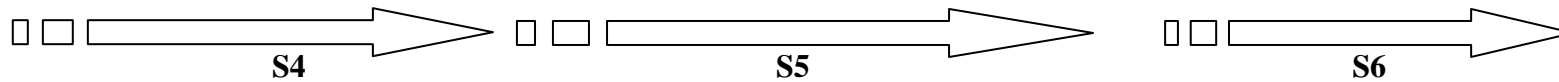
making personal choices
markets for consumer goods
economic fluctuation and growth
price level and changes
income distribution
decision on allocation -> study and play
career choices labour market
behaviour of agents, firms and government in events and issues
world of work rights and responsibilities

learning through cases, projects, participation, etc.

Ss interact with peers, teacher, learning contexts to construct knowledge

Examples
of key
organising
concepts

decisions at the margin output and growth
scarcity aggregate demand allocation price medium of exchange comparative advantage
valuing cost demand supply distribution mutually beneficial trade
production consumption incentives aggregate supply equity human capital institutional
exchanges efficiency knowledge and innovation rules



A Basic Economic Concepts

C Market and Price

J International Trade and Finance

B Production and Firms

H Money and Banking

Elective 1 OR Elective 2

D Competition and Market Structure

I Macroeconomic Problems and Policies

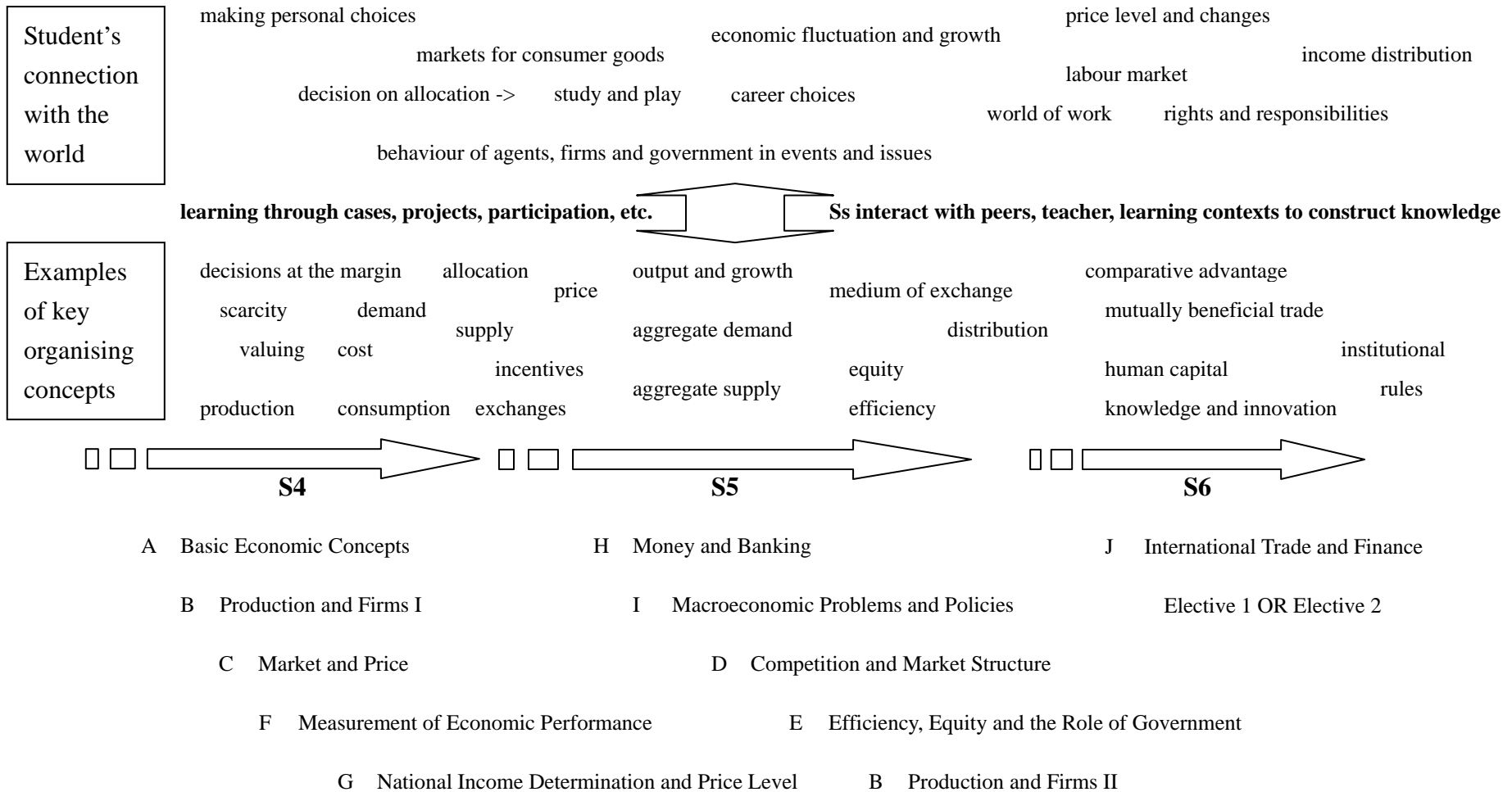
F Measurement of Economic Performance

E Efficiency, Equity and the Role of Government

G National Income Determination and Price Level

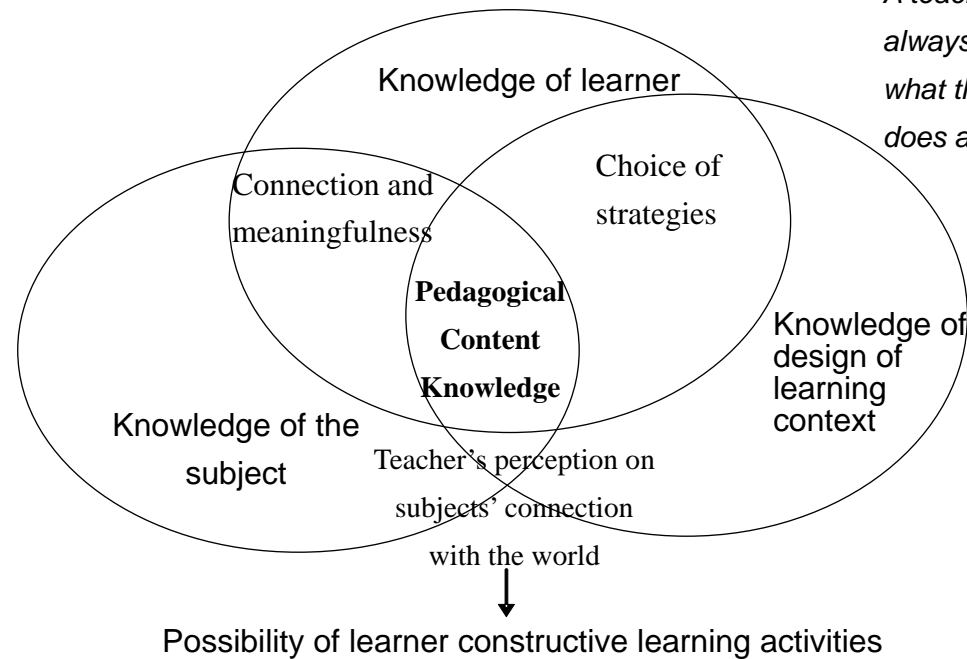
Example of Teaching Sequence 2:
classes of students with better academic preparedness

APPENDIX B



Teacher Expertise Development

Development of Pedagogical Content Knowledge



*A teacher's impact is
always constrained by
what the teacher knows,
does and believes in*

A diagram showing the conceptualization of pedagogical content knowledge
(adapted from Shulman, 1987)