Cambridge O Level Economics
Syllabus Code 2281

Course Books:
1. Dan Moynihan and Brian Titley, *Economics: A Complete Course*, Oxford University Press,
2. Susan Grant, *Economics*.
3. Unsolved Past Papers

All candidates enter for two papers – Paper 1 and Paper 2.

**SCHEME OF ASSESSMENT**

**Paper 1 Multiple Choice (1 hour)**
This will consist of 40 items testing the whole syllabus.

**Paper 2 Structured Written Paper (2 hours)**
4 questions to be answered, including one compulsory question and 3 questions from a choice of 6.

**SCHEME OF ASSESSMENT**
Two compulsory papers will be set as follows:

**MONTHLY SYLLABUS**

**AUGUST**
Revision of types of business organization
Occupations and Earnings

**SEPTEMBER**
The role of Trade Unions
Spending, Saving and Borrowing

**OCTOBER**
Organisation of production
The Growth of firms

**NOVEMBER**
Competition
Revision

**DECEMBER**
Mid Year Examinations
SYLLABUS CONTENT

1. Revision of Types of Business Organisations

- Cooperatives: definition of Cooperativess, advantages and disadvantages of cooperatives.
- Public Sector Organizations: Definition of Public Sector Organizations, Types and features of Public Sector organizations. Why some industries are nationalized?

2. Occupations and Earnings

- Identify the factors affecting an individual’s choice of occupation (wage factors and non-wage factors).
- Describe likely changes in earnings over time for an individual.
- Describe the differences in earnings between different occupational groups (male/female; skilled/unskilled; private/public; agricultural/manufacturing/services).
- Describe the benefits and disadvantages of specialization for the individual.

3. The role of Trade Unions

- Describe trade unions and analyse their role in an economy.
- Distinguish between different types of trade union or labour union.
- Describe how trade unions are organized.
- Understand the role of collective bargaining in setting wages and other employment conditions.
- Explain factors that can affect bargaining strength of a trade union.
- Analyze why industrial disputes occur, their impacts on employees, firms and an economy, and how they are settled.

4. Spending, saving and borrowing

- Analyse the different motives for spending, saving and borrowing.
- Discuss how and why different income groups have different expenditure patterns (spending, saving, borrowing).
5. Organization of Production:
- Describe what determines the demand for factors of production.
- Define productivity and recognize the difference between productivity and production.
- Distinguish between capital intensive and labour intensive production.
- Define Total and Average cost, Fixed and Variable cost and perform simple calculations.
- Analyse particular situations to show changes in total and average costs as output changes.
- Define total and average revenue and perform simple calculations.
- Identify and explain breakeven level of output.
- Describe the principle of profit maximization and recognize that business organizations may have different goals.

6. The Growth of firms:
- Discuss the different sizes of firms and how firms grow in size.
- Increasing the scale of production leading to Economies and Diseconomies of scale.

7. Competition:
- Why do firms compete? Is Competition good for the economy?
- Define different pricing strategies and market structures. (Perfect Competition, Monopoly)
- Describe the Opportunistic behavior of a monopoly, Government controls on a monopoly and evaluating how and when government should regulate competition.

8. Economic indicators
- What is inflation and deflation?
- Prices - describe how the retail price index is calculated.
- Discuss the causes and consequences of inflation.
- Employment - describe the changing patterns and levels of employment
- Discuss the causes and consequences of unemployment.

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