



Leaving Certificate Economics

Draft specification for consultation

Contents

Senior cycle	5
The experience of senior cycle	5
Leaving Certificate Economics	9
Introduction	9
Aim	10
Objectives	10
Related learning	11
Overview	13
Structure	13
Outline of Strands	14
Time allocation	15
Key skills	15
Teaching and learning	15
Differentiation	17
Agricultural Economics	18
Strands of Study	19
Strand 1. What is economics about?	20
Strand 2. How are economic decisions made?	22
Strand 3. What can markets do?	24
Strand 4. What is the relationship between policy and economic performance?	26
Strand 5. How is our economy influenced by international economics?	29
Assessment	31
Assessment components	31
Overview of assessment	31
Written examination	31
Assessment criteria for the written examination	32

Research study	33
Assessment criteria for the second component	34
Leaving Certificate Grading Scale	35
Reasonable Accommodations/Inclusion	35

Senior cycle

Learners in senior cycle are approaching the end of their time in school and are focusing on the directions they would like to take in their future lives. Senior cycle plays a vital role in helping learners to address their current needs as young adults and in preparing them for life in a changing economic and social context.

Senior cycle is founded on a commitment to educational achievement of the highest standard for all learners, commensurate with their individual abilities. To support learners as they shape their own future there is an emphasis on the development of knowledge and deep understanding; on learners taking responsibility for their own learning; on the acquisition of key skills; and on the processes of learning. The broad curriculum, with some opportunities for specialisation, supports continuity from junior cycle and sets out to meet the needs of learners, some of whom have special educational needs, but who all share a wide range of learning interests, aptitudes and talents.

Curriculum components at senior cycle promote a balance between knowledge and skills, and the kinds of learning strategies relevant to participation in, and contribution to, a changing world where the future is uncertain.

Assessment in senior cycle involves gathering, interpreting and using information about the processes and outcomes of learning. It takes different forms and is used for a variety of purposes. It is used to determine the appropriate route for learners through a differentiated curriculum, to identify specific areas of difficulty or strength for a given student and to test and certify achievement. Assessment supports and improves learning by helping learners and teachers to identify next steps in the teaching and learning process.

The experience of senior cycle

The vision of senior cycle sees the learner at the centre of the educational experience. That experience will enable students to be resourceful, to be confident, to participate actively in society, to build an interest in learning, and develop an ability to learn throughout their lives.

This vision of the learner is underpinned by the values on which senior cycle is based and it is realised through the principles that inform the curriculum as it is experienced by students in schools. The curriculum, made up of subjects and courses, embedded key skills, clearly expressed learning

outcomes, and supported by a range of approaches to assessment, is the vehicle through which the vision becomes a reality for the learner.

At a practical level, the provision of a high quality educational experience in senior cycle is supported by:

- effective curriculum planning, development, organisation and evaluation
- teaching and learning approaches that motivate and interest students, that enable them to progress, that deepen and apply their learning, and that develop their capacity to reflect on their learning
- professional development for teachers and school management that enables them to lead curriculum development and change in their schools
- a school culture that respects students, that encourages them to take responsibility for their own learning over time, and that promotes a love of learning.

Senior cycle education is situated in the context of a broader education policy that focuses on the contribution that education can make to the development of the learner as a person and as a citizen. It is an education policy that emphasises the promotion of social cohesion, the growth of society and the economy, and the principle of sustainability in all aspects of development.

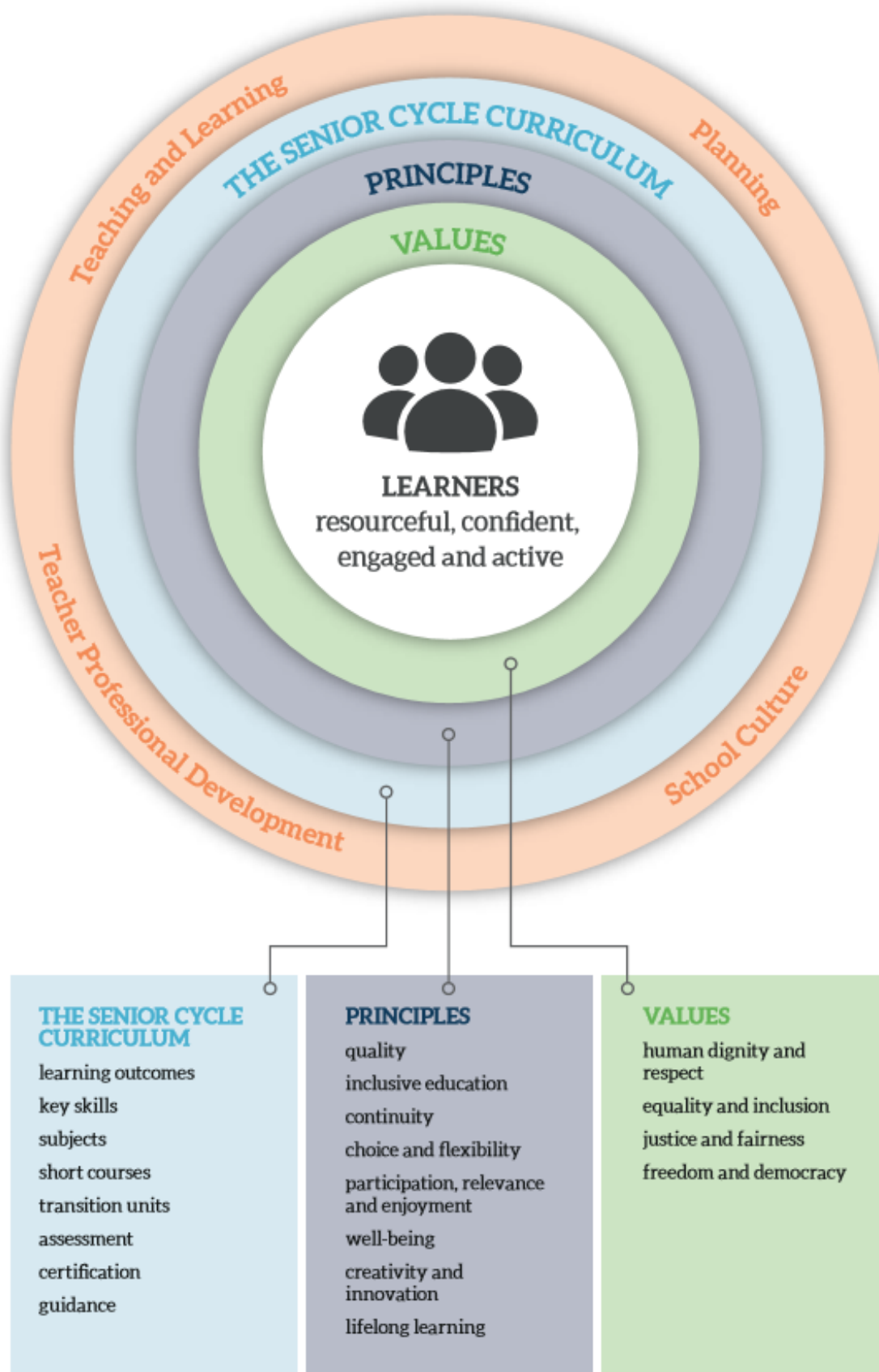


Figure 1 Overview of senior cycle



Figure 2 The vision of the learner

Leaving Certificate Economics

Introduction

Economics is the study of the processes and decisions that influence the production and consumption of goods and services by individuals, firms, governments and other institutions in an economy. Therefore, economics is often described as a way of thinking about how people interact in a society, how they make decisions and foster relationships. It is a social science, and it is driven by our desire to question and inquire about economic patterns, relationships and principles. It explains how we get our incomes, how we use them, how resources are employed and how goods and services are exchanged and distributed. Decisions relating to these have social consequences, intended and unintended, which are also analysed in economics.

Young people are growing up in a dynamic economy which is constantly changing at local, national and global levels. Increasingly, their lives are being shaped by social, political and economic decisions and policies made by the Irish government as well as European and international governments and institutions. Students need to be equipped with the skills, knowledge, understanding and values to negotiate these fast-paced changes in order for them to participate fully and effectively in society. In developing their knowledge and understanding of Ireland's economy, students will engage with the wider business environment. Being economically literate enables students to identify and evaluate economic concepts as they relate to the economy and political systems. Using skills of critical-thinking, data analysis and decision-making through the study of economics, students will be prepared and empowered to contribute to society and manage future challenges confidently.

By exploring the economic world in which they live, students will understand the economic, social, political and environmental implications of the decisions made by individuals, businesses, our government and others. In their lifetime students will have to make their own decisions that are of personal, local and national importance. This specification aims to help them to develop an appreciation of the interdependent nature of economic prosperity, societal wellbeing and environmental sustainability.

It is intended that Leaving Certificate Economics will be relevant to the lives of students today and into the future and inspire in them an interest in and curiosity about economic issues. It should enable them as citizens to appreciate the economic issues that affect their lives, to offer an informed viewpoint and set the foundation for future life, work and study.

Aim

Leaving Certificate Economics aims to stimulate students' curiosity and interest in the economic environment and how they interact in it. It develops a set of skills, knowledge and attitudes that enables students to understand the economic forces which affect their everyday lives, their society and their economy at local, national and global levels, making them more informed as decision-makers.

Objectives

The objectives of Leaving Certificate Economics are to enable students to:

- understand the economy within which people act locally, nationally and globally
- appreciate the ethical, historical, social and environmental implications of economics, and reflect on how economics contributes to the social and political development of society
- build on their knowledge and understanding of economic terminology, concepts and principles, and to develop the skills needed to apply this knowledge and understanding to familiar and unfamiliar situations
- develop skills in critical and creative thinking around contemporary economic and social issues, while appreciating different perspectives, and providing informed solutions to a problem
- research and analyse qualitative and quantitative economic data and information from various sources present and justify conclusions and make informed decisions
- discuss, explain and communicate the outcomes of their analysis and activities in verbal, graphical and other forms, using technology where appropriate.

Related learning

Leaving Certificate Economics provides continuity and progression in business education that begins in the primary school curriculum and is built on in junior cycle business studies.

Primary school

At primary level, children begin to encounter and form some fundamental ideas in relation to the economic world in which they live. Mathematics in the Primary School Curriculum (1999) develops the child's mathematical skills in the areas of problem-solving, representing mathematical ideas in different modes such as pictorially or graphically, and reasoning. Within the social, environmental and scientific education (SESE) curriculum at primary level children are provided with opportunities to further develop their understanding of people living and working in the local community and beyond as well as developing their knowledge of trade and development issues. Such awareness, knowledge and skills are core to the study of economics and will be further developed as they progress into post-primary education.

Junior cycle

The learning at the core of junior cycle, described in the statements of learning within *A Framework for Junior Cycle (2015)*, emphasises the importance of developing students' understanding of the origins and impacts of social, economic and environmental aspects of the world around them. In its strands and learning outcomes, student learning in junior cycle business studies highlights the interconnectivity of finance, enterprise and the economy in understanding contemporary economic, political and social developments. Many junior cycle subjects and short courses have links with economics, including mathematics, geography and CSPE.

Senior cycle

Many senior cycle subjects have close links with economics including business, politics and society, geography, history, mathematics, and home economics—scientific and social. The knowledge and understanding gained in economics can be used in conjunction with that developed in these other subjects to enrich overall learning.

Further study

Economics can lead to many exciting and rewarding careers, from being an accountant, policy developer, financial advisor, analyst or journalist, to being employed by the government, industry, financial institutions, statutory and voluntary organisations, and working in various sectors such as IT and education.

Economics is about choice and the impact of choices on other people. It relates to every aspect of our lives, from the decisions made as individuals or families to the structures created by governments and firms. Economics encompasses the study of factors that influence income, wealth and well-being. As a result it is an integral part of many other business disciplines, including management, marketing, accountancy, and finance. It also underpins a wide spectrum of other subject areas including political science, international relations, sociology, geography, law and psychology.

Community and society

Students will develop an appreciation of the social and political perspectives of economics and of the impact of economic development on people and on the environment. Economics plays a key role in the social development that will continue to drive economies and enhance the well-being of citizens. It extends and enhances our understanding of why people, firms and the government make certain choices and how these choices impact personally, locally, nationally and globally. It develops people's self-awareness and encourages active citizenship and engagement in the wider community.

Overview

The Leaving Certificate Economics specification is presented in five strands that reflect five fundamental economic questions.

Structure



Figure 3 Structure of Leaving Certificate Economics

Strand 1 *What is economics about?* is a foundational strand; it permeates all the strands of the specification. It establishes the context for the other four strands. The learning outcomes in this strand identify the knowledge, skills and values which are essential to students' learning throughout the course, underpinning the activities and content in the subsequent strands. The learning outcomes in this strand address the fundamental economic principles of scarcity and choice. The learning outcomes also focus on developing students' ability to think as economists, to use the skills of an economist in applying concepts, theories and techniques effectively and to consider the impact of sustainability on the economy.

Outline of Strands

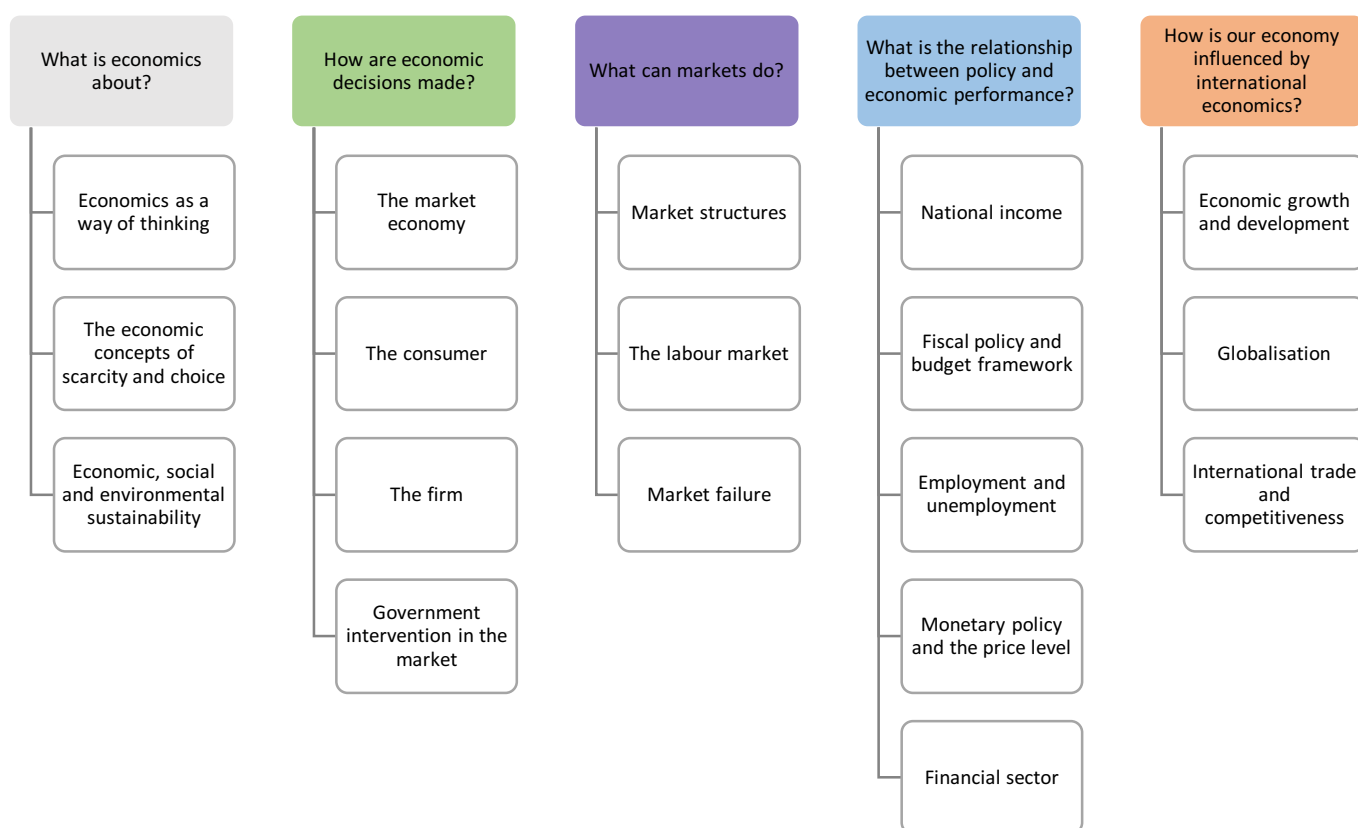


Figure 4 Outline of strands for Leaving Certificate Economics

While the learning outcomes associated with each strand are set out separately in this specification, this should not be taken to imply that the strands are to be studied in isolation. The students' engagement and learning are optimised by a fully integrated experience of all five strands. As students progress through strands they will build on their knowledge, skills and values incrementally. Engaging with and posing economic questions, students will contemplate and deliberate economic issues and problems, drawing on learning outcomes from across all strands.

This structure is intended to foreground economic questions, enabling students to apply key economic models and principles to explore economic problems, and requires them to analyse, evaluate and draw conclusions. It is intended that this question-based structure will encourage an inquiry approach to the teaching and learning of economics, so that students develop economic thinking skills. Students are encouraged to question economic patterns and problems and learn means of drawing upon, analysing and applying their understanding to real-life economic issues. This structure aims to foster curiosity, innovation and critical thinking in students, which are fundamental to encouraging economic and social progress and to developing a culture of entrepreneurship.

Time allocation

The Economics specification is designed for 180 hours of class contact time.

Key skills



Figure 5 Key skills of senior cycle

There are five skills identified as central to teaching and learning across the curriculum at senior cycle. These are: information processing; being personally effective; communicating; critical and creative thinking; and working with others. It is important for all students to develop these key skills in order to achieve their full potential, both during their time in school and into the future. This will allow them to participate fully in society, including family life, the world of work and lifelong learning. The specification is designed to help students develop skills as they build on their knowledge and

understanding of economics and form positive attitudes to learning. The key skills are embedded within the learning outcomes of the specification and will be assessed in the context of the assessment of the learning outcomes.

Students will engage with the fundamental principles and concepts of economics through participation in a range of skills-based activities. They will develop information processing and critical and creative thinking skills by examining and evaluating economic data and information to identify patterns and relationships, offering informed viewpoints and opinions and applying those conclusions to new or existing economic problems. They will develop skills in working with others as they collaborate on research and discussions. As they present and communicate their judgements and opinions, using written, oral and visual representations, students will develop skills in communicating. Students will learn how to research and access up-to-date and reliable information that they can use to develop a critical approach to economic theories. Students will develop the skill of being personally effective as they evaluate their learning and apply their skills and knowledge in order to understand the real-life economic and social environment around them.

Teaching and learning

Senior cycle students are encouraged to develop the knowledge, skills and values that will enable them to become more independent in their learning and to develop a lifelong commitment to improving their learning.

Leaving Certificate Economics supports the use of a wide range of teaching and learning approaches. The course is inquiry-based in its structure and emphasises the practical application of economic knowledge to the world around us. As students progress they will develop learning strategies that are transferable across different tasks and different subjects enabling them to make connections between economics, other subjects, and everyday experiences. By engaging in well-structured group discussions students will develop skills in reasoned argument, listening to each other and reflecting on their own work and that of others.

In planning for teaching and learning, teachers should develop students' understanding of the importance of economic events and the implications of individual, business and government economic decision-making. The inter-connectivity between our economy, our society and our natural environment should also be embedded into classroom teaching and learning, where teachers are encouraged to highlight the social nature of economic activity. Students will integrate their knowledge and understanding of economics with the ethical, social, political and environmental implications and applications of economics. Increasingly, arguments between economists extend into the public domain and feature widely in the media. By critically evaluating economic arguments and problems students will engage with contemporary issues in economics that affect their everyday lives. They will learn to interpret and evaluate data as evidence to support argument. By providing an opportunity to examine and debate reports about contemporary issues Leaving Certificate Economics will enable students to develop an appreciation of the social context of economics.

The variety of activities that students engage in will enable them to take charge of their own learning by setting goals, developing action plans, and receiving and responding to assessment feedback. As well as varied teaching strategies, varied assessment strategies will support learning and provide information that can be used as feedback so that teaching and learning activities can be modified in ways that best suit individual students. By setting appropriate and engaging tasks, asking higher-order questions, giving feedback that promotes learner autonomy, assessment will support learning as well as summarising achievement.

Students' participation in the classroom and understanding of economics will be enhanced when teachers help them to connect the content of learning to their lives. By making such connections teachers increase the relevance of the learning for their students and encourage them to find parallels between new learning and their own experiences.

Differentiation

The Leaving Certificate Economics specification is differentiated in three ways: through the learning outcomes of the specification, in the process of teaching and learning, and through assessment.

Ordinary level	Higher level
<ul style="list-style-type: none"> Students develop basic economic literacy skills, helping them to identify and explain fundamental economic concepts and facts as they relate to the economy and political systems. Students acquire knowledge, mainly concrete in nature, but with some elements of reflection or theory. Students will demonstrate and use a moderate range of practical and cognitive skills and apply their understanding to a variety of problems in mainly familiar but some unfamiliar contexts. Students apply their knowledge, understanding and skills to contemporary, everyday economic problems. 	<ul style="list-style-type: none"> Students demonstrate a greater depth of knowledge, understanding and application of economic concepts and facts as they relate to the economy and political systems. Students acquire knowledge, including theoretical concepts and reflective thinking, with significant depth in some areas. Students will analyse information and think creatively to develop their own ideas or perspectives. They will demonstrate and use a broad range of skills to evaluate and use information to justify informed viewpoints of unfamiliar problems. Students apply their knowledge, understanding and skills to a wide variety of both familiar and unfamiliar economic issues and problems

Table 1 Differentiation in Leaving Certificate Economics

Differentiation in teaching and learning

Economics provides numerous opportunities for teachers to teach the subject and select materials that meet the needs and interests of all students. The focus on the inquiry approach to teaching and learning, which is central to economics, means that students can be engaged in learning activities that complement their own needs and ways of learning. The content matter of the course is specified in broad terms to allow the selection and exploration of topics in ways that are of most interest and relevance to the students.

Students vary in the amount and type of support they need to be successful. Levels of demand in any learning activity will differ as students bring different ideas and levels of understanding to it. The use of strategies for differentiated learning such as adjusting the level of skills required, varying the amount and the nature of teacher intervention, and varying the pace and sequence of learning will allow students to interact at their own level.

Differentiation in assessment

Assessment of Leaving Certificate Economics will be based on the learning outcomes in the specification. In the written assessment Leaving Certificate Economics will be assessed at two levels, Higher and Ordinary. At Higher level the learning outcomes will be assessed at the highest skill level as demonstrated in the action verb of the learning outcome. At Ordinary level the learning outcomes will be assessed at a moderate skill level, focusing on the recall, explanation and application of concepts and theories. Examination questions will require candidates to demonstrate knowledge, understanding, application, analysis and evaluation appropriate to each level. Differentiation at the point of assessment will also be achieved through the language register of the questions asked, the stimulus material used, and the extent of the structured support provided for examination candidates at different levels.

In the second assessment component, the research study, the task will be common for Higher level and for Ordinary level. A differentiated marking scheme will apply. At Higher level candidates will be expected to research, process information and data, analyse and evaluate information in order to produce some original work. At Ordinary level candidates will be expected to research and analyse information and apply their findings to a familiar or unfamiliar situation.

Agricultural Economics

This revision of Leaving Certificate Economics, together with the revision of Leaving Certificate Agricultural Science, will obviate the need for the subject Agricultural Economics which will be discontinued. The nature of learning outcomes is that they are broad and facilitate teachers to respond to their students' interests and the school's unique context. In this way, consideration can be given by teachers to elements of agricultural economics that might contribute to students' achievement of learning outcomes in this specification. Explanations and examples can be drawn by teachers and students from the agricultural sector to explore and critically analyse economic issues. At a microeconomic level, economic principles can be applied to an individual farm. At a macroeconomic level there are clear connections between the contribution of the agricultural sector to economic growth, international trade, economic policy and sustainable development.

Strands of Study

Strand 1. What is economics about?

- Economics as a way of thinking
- The economic concepts of scarcity and choice
- Relating economic, social and environmental sustainability

Strand 2. How are economic decisions made?

- The market economy
- The consumer
- The firm
- Government intervention in the market

Strand 3. What can markets do?

- Market structures
- The labour market
- Market failure

Strand 4. What is the relationship between policy and economic performance?

- National income
- Fiscal policy
- Employment and unemployment
- Monetary policy and the price level
- Financial sector

Strand 5. How is our economy influenced by international economics?

- Economic growth and development
- Globalisation
- International trade and competitiveness

Strand 1. What is economics about?

Strand 1 is a foundational strand that sets the context for the subsequent four strands. The learning outcomes in this strand address particular knowledge, skills and values which students will cultivate and build on gradually over the Leaving Certificate Economics course. This strand relates to both students' introduction to economics and its progressive development over two years where its themes are embedded within learning outcomes throughout the other strands. As students progress through each strand, there will be a systematic development of their fundamental knowledge, economic skills and values. Students learning in economics will be used to support informed and well-reasoned judgements.

Strand 1 also introduces students to the fundamental principles of scarcity and choice. Resources are limited and people cannot have all the goods and services they want. Understanding decisions at various levels, individuals, businesses, governments and other institutions, is necessary to understanding the functioning of an economy. Emerging from these principles, a foundation is provided from which subsequent strands can be studied in further depth. .

Students learn about		Students should be able to
1.1	Economics as a way of thinking	<ul style="list-style-type: none">▪ appreciate the role of models, concepts and data for exploring economic behaviour, interactions, policy and outcomes▪ differentiate between positive and normative economic statements; identify instances of their use in local, national or international media / economic commentary▪ discuss and evaluate why solutions to economic problems may differ and how economic perspectives on solving economic challenges, such as unemployment, can change over time▪ identify similarities and differences across debates in key schools of economic thought▪ collect, organise, present, analyse and interpret data, with and without the use of technology, to provide an informed view and evaluate current economic issues/policies
1.2	The economic concepts of scarcity and choice	<ul style="list-style-type: none">▪ explain how scarcity of economic resources relative to wants results in choices being made between competing uses of resources; predict possible consequences of these choices▪ explain how individuals, firms, businesses and the government interact to produce, consume and distribute economic resources

Students learn about		Students should be able to
		<ul style="list-style-type: none"> ▪ evaluate the opportunity costs involved in economic decisions made by individuals, firms and the government at local and national levels ▪ discuss the role of incentives and the motivating influences for individuals, firms, the business sector and the government in economic decisions; demonstrate conflicting incentives with reference to local, national or international examples ▪ differentiate between individual markets and aggregate supply and demand; explain the difference in focus between micro and macro economics ▪ explain the principle of specialisation and outline how it may apply to individuals and firms to increase efficiency ▪ analyse how a cost-benefit approach supports effective decision-making; apply a cost-benefit approach to assess who enjoys the benefits and who bears the costs
1.3	Economic, social and environmental sustainability	<ul style="list-style-type: none"> ▪ outline the concepts of economic, social and environmental sustainability and explain their interconnections ▪ explain the concept of non-governmental organisation (NGO); provide specific examples outlining their function ▪ explore how aspects of sustainability relates to their own individual lives, habits and values, and their interactions with others' habits and values ▪ identify indicators of economic growth, social cohesion, inequality, and environmental sustainability; examine relationships between the indicators ▪ consider potential implications of sustainable development for: <ul style="list-style-type: none"> ○ individual behaviour ○ business decisions ○ government policy

Strand 2. How are economic decisions made?

Strand 2 focuses on micro economics and the market economy. A market exists when buyers and sellers interact. This strand examines how individuals, firms, and government policy makers interact and influence the market. Students will explore how individuals, firms and the government respond to incentives. Using models of demand and supply, students will explain and analyse markets. Students will also examine the role of the government in regulating the market place. Students will explore how governments actively modify markets by intervening in the operation of the price mechanism.

Students learn about		Students should be able to
2.1	The market economy	<ul style="list-style-type: none">▪ construct a graphical representation of demand and supply in a market economy and critically analyse the role of the price mechanism in a market economy▪ demonstrate how a change in the main determinants of demand and supply can affect changes in the price and quantity of goods and services▪ examine how advances in technology can impact the market economy
2.2	The consumer (demand)	<ul style="list-style-type: none">▪ evaluate the economic role of consumers in an economy, explaining how positive and negative incentives influence economic activity of consumers▪ critique the assumption that consumers taking part in an economic activity are behaving rationally▪ using data, calculate Price Elasticity of Demand (PED) and Income Elasticity of Demand (YED) using a formula and evaluate how PED and YED can be used by individuals, firms and the government to help predict the impact of pricing on revenue/ sales.▪ investigate and interpret data patterns in Irish consumers' current expenditure and examine the relationship between consumption and price.
2.3	The firm (supply)	<ul style="list-style-type: none">▪ evaluate the economic role of firms in an economy, explaining how positive and negative incentives influence economic activity in a firm▪ graphically illustrate, calculate and describe the relationship between total, marginal and average revenue and costs

Students learn about		Students should be able to
		<ul style="list-style-type: none"> ▪ apply the distinction between the short and long run in analysing the implications of a firm's costs and revenue situation ▪ explain and illustrate the conditions for profit maximisation in terms of marginal cost and marginal revenue ▪ analyse the role of economies and diseconomies of scale in determining the size of firms ▪ discuss and justify alternative aims for a firm who may pursue other objectives than maximising profit
2.4	Government intervention in the market	<ul style="list-style-type: none"> ▪ evaluate the economic role of the government in a mixed economy ▪ evaluate how and why the government may use various interventions and incentives to influence the price and quantity outcomes in particular markets ▪ evaluate the role and effectiveness of regulation in the Irish economy

Strand 3. What can markets do?

This strand progresses the understanding of the basic operation of a market to exploring the importance of competition in product markets. Students will use market structures as models to explore the nature of competition and pricing in the market. They will analyse the labour market as an example of a factor market. There is an economic role for the government in a market economy and government decisions and policies have benefits and costs. Governments have to provide for social welfare, address environmental concerns and attempt to make markets more competitive. Students will explore the reasons for market and government failures in the market economy.

Students learn about		Students should be able to
3.1	Market structures	<ul style="list-style-type: none">▪ examine why economists use market structures and models to analyse and find solutions to economic problems▪ describe and critique the main features of perfectly competitive, monopolistic and oligopolistic product markets▪ demonstrate and analyse how a change in demand or supply in a market structure leads from one equilibrium to another▪ graphically represent, describe and compare market equilibrium in a perfectly competitive market and monopolistic markets in the short and long run▪ examine the implications of changing levels of competition and market power on price and output in perfectly competitive, monopolistic and oligopolistic product markets▪ illustrate and evaluate the point of profit maximisation for a firm in a monopoly market and a firm in a perfectly competitive market▪ collect data and calculate the concentration of power in a market using a concentration index such as the Herfindahl-Hirshman index; evaluate the implications of its concentration▪ deduce why particular market concentrations are deemed problematic for consumers by Irish and European competition authorities
3.2	The labour market	<ul style="list-style-type: none">▪ compare a goods and services market and a factor market and describe the factors of production▪ examine the factors affecting the demand for labour

Students learn about		Students should be able to
		<ul style="list-style-type: none"> ▪ construct a graphical representation of the relationship between the wage rate and quantity demanded of labour; analyse the reason for the shape of the demand curve for labour ▪ explain marginal physical productivity and marginal revenue productivity of labour; critically analyse the usefulness to an employer and employee of a knowledge of MPP and MRP ▪ examine the factors affecting the supply of labour ▪ construct a graphical representation of the relationship between the wage rate and quantity supplied of labour; analyse the reason for the shape of the supply curve for labour ▪ graphically illustrate labour market equilibrium and illustrate the effect of government interventions such as minimum wage or taxation on equilibrium
3.3	Market failure	<ul style="list-style-type: none"> ▪ explain market failure ▪ discuss the factors that lead to market failure such as externalities, merit goods, monopoly power and imperfect information ▪ determine how governments can overcome market failure using factors such as taxation, regulation and direct government intervention ▪ debate the role of government in providing alternatives to market solution.

Strand 4. What is the relationship between policy and economic performance?

Strand 4 develops the students' understanding of the macroeconomy. Economic performance refers to an assessment of how well a country is doing in reaching key objectives of government policy. The main aim of policy is usually an improvement in the welfare of its population. The government establishes and prioritises a number of economic objectives to achieve their goal of improving economic welfare. Economic policies impact on economic growth, employment, price stability and the distribution of income. The government implements a range of policies, subject to the changing economic, political and social conditions and EU policy priorities. Patterns and trends in economic data help to guide the implementation of these policies. Students will explore how the Irish government strives for economic growth and manages business cycles.

Students learn about		Students should be able to
4.1	National income	<ul style="list-style-type: none">▪ construct and interpret the circular flow of income model diagram; examine the effects of leakages and injections on the circular flow of income in the macroeconomy▪ differentiate between GDP, GNP, GNI and GNDI as measures of national income; analyse which measure is a more accurate indicator of Ireland's economic performance and economic welfare▪ explain the multiplier effect; apply the multiplier formulae to calculate and evaluate changes to national income in an open and closed economy▪ investigate data patterns in Ireland's national income, price level, unemployment rate, government expenditure and national debt over a period of time; identify the different phases of business cycles and critically examine the main factors that led to the fluctuations in output▪ discuss the economic and social impact of hidden economies such as the black economy

4.2	Fiscal policy and budget framework	<ul style="list-style-type: none"> ▪ identify the main sources of government revenue and expenditure; distinguish between the current and capital parts of the government accounts ▪ discuss measures that a government can take to manage a budget deficit, surplus or balanced budget ▪ differentiate between expansionary, neutral and contractionary fiscal policies and examine how the government could use these policies in an attempt to stabilise the business cycle ▪ discuss the limitations of fiscal policy in stabilising economic growth ▪ discuss how being a member of the EU and the Eurozone influences Ireland's ability to implement fiscal policy ▪ debate the purpose and impact of taxation on consumers, firms and the economy as a whole
4.3	Employment and unemployment	<ul style="list-style-type: none"> ▪ investigate data patterns to describe the main features and trends in Ireland's labour force in relation to factors such as age, population, gender, cultural background, and unemployment ▪ differentiate between employment and unemployment; explain the different measures of employment and unemployment ▪ investigate the causes of unemployment in the Irish context and evaluate its impact on the economy ▪ examine and appraise a government intervention or policy in relation to increasing jobs and achieving full employment in the economy
4.4	Monetary policy and the price level	<ul style="list-style-type: none"> ▪ explain inflation and deflation and explain how they are measured with the aid of the Consumer Price Index and the Harmonised Index of Consumer Prices

		<ul style="list-style-type: none"> ▪ evaluate the causes and consequences of changes in the price level to consumers, firms and the economy as a whole ▪ examine the objective and role of central banks in implementing monetary policy ▪ evaluate how being a member of the Eurozone shapes and influences monetary policy in the Irish economy
4.5	Financial sector	<ul style="list-style-type: none"> ▪ examine the main factors affecting the demand for and supply of cash and credit funds in the money market ▪ explain how commercial banks create credit and predict the consequences on an economy ▪ analyse the factors that influence the level of interest rates, evaluating the impact of changes in interest rates on economic activity ▪ examine the role and effectiveness of current financial institutions and regulators in the operation of financial markets

Strand 5. How is our economy influenced by international economics?

Ireland is a small, open economy and this has implications for our economic activity and performance, and for government policies and decisions. In this strand students will explore how an economy develops according to its endowment of resources and its values and will apply their understanding of economics to assess the costs and benefits of economic development. Students will develop an understanding of how Ireland's economy is influenced by economic events and policy development at a European and international level. They will examine how the government attempts to manage inflows and outflows of investment into the Irish economy from abroad. The government attempts to manage these flows to meet their economic objectives. Changes in the prosperity of the external sector can have significant effects on the domestic economy.

	Students learn about	Students should be able to
5.1	Economic growth and development	<ul style="list-style-type: none">▪ explain how countries can be profiled by income and equality▪ classify regions in terms of their stage of economic development and describe the main characteristics of countries at different stages of economic development using Rostow's five stages of growth▪ determine the factors that lead to economic development and growth using the Solow growth model▪ describe the main characteristics of countries at different stages of economic development; determine the factors that lead to economic development/stability and growth▪ compare Ireland's economic development to that of a less developed nation using the inequality-adjusted human development index▪ assess and evaluate the effectiveness of a priority area of the Irish government's programme on overseas development
5.2	Globalisation	<ul style="list-style-type: none">▪ explain the concept of globalisation and discuss the positive and negative implications of globalisation▪ describe the characteristics of multinational corporations, discussing the economic reasons for multinational corporations

	Students learn about	Students should be able to
		<ul style="list-style-type: none"> ▪ discuss the reasons for multinational corporations investing in countries outside their home country ▪ investigate data patterns in inflows/outflows of foreign direct investment into Ireland over a period of time and evaluate the effect of multinational corporations/foreign owned industry on Ireland's economy ▪ examine how advances in technology can impact positively and negatively on Ireland's economy
5.3	International trade and competitiveness	<ul style="list-style-type: none"> ▪ investigate and analyse patterns in Irish trade in terms of quantity and types of goods and services over a period of time; assess the benefits and costs of trade on the Irish economy ▪ describe the main components/the basic composition of Ireland's balance of payments account ▪ explain the principle of comparative advantage and its role in determining competitiveness ▪ discuss the arguments in favour of international trade, trade protection and the fair trade movement ▪ discuss the determinants of exchange rates; analyse the effects of changes in the exchange rates on the Irish economy ▪ examine the role and effectiveness of global institutions in the operation and management of international trade

Assessment

Assessment for certification is based on the aim, objectives and learning outcomes of this specification. Differentiation at the point of assessment is achieved through examinations at two levels – Ordinary level and Higher level.

Assessment components

There are two assessment components at each level

- written examination (80%)
- research study (20%)

Both components of assessment reflect the relationship between the application of skills and the theoretical content of the specification.

Overview of assessment

Mode			Percentage
Written			80
	Section A	Short answer questions 8 questions from 10	20
	Section B	Structured: 3 from 4	45
	Section C	Case-based question	15
Research study		Written extended essay	20
Total			100

Written examination

The written examination will be made up of a range and balance of question types; short-answer questions, open-ended questions and extended response questions. The questions will require learners to demonstrate knowledge, understanding, applying, analysing, evaluating and creating appropriate to each level. The key skills are embedded in the learning outcomes and will be assessed in the context of the learning outcomes. The written examination paper will assess:

- knowledge of economic terms
- application of economic knowledge and understanding from different areas of the specification to familiar and unfamiliar situations

- critical thinking, the ability to analyse and evaluate information and to form reasonable and logical argument based on evidence
- problem solving based on integration, analysis and evaluation of qualitative and quantitative information and data
- understanding of the social, political, ethical, historical, and environmental aspects of economics, and of how economics contributes to sustainable development.

The written examination paper will be two and a half hours long and will have 3 sections A, B and C.

Section A (80 marks (8 x 10)) consists of ten short questions that address economic topics across the entire specification from which students choose eight.

Section B (180 marks (3x60)) consists of four structured questions from which students choose three.

Section C (60 marks) consists of a case-based question. There is no choice in this section. This question will require learners to synthesise knowledge across a number of learning outcomes and demonstrate an understanding of the connections between different elements of the subject. The questions are based on a context but draw from across the strands of the economics specification.

While there is limited choice within sections, students will be able to draw from their learning to answer questions and demonstrate their achievement of the learning outcomes. In this way the questions will offer students choices in how they apply their learning.

Assessment criteria for the written examination

A high level of achievement in this component is characterised by a thorough knowledge and understanding of economic facts, principles, concepts and methods from the whole syllabus and with few significant omissions. Candidates consistently apply their knowledge and understanding of economics to problem solving in both familiar and new contexts. They accurately analyse and evaluate qualitative and quantitative data from different sources; manipulation of data will be almost flawless. Candidates present logical arguments and ideas which are clearly based on evidence.

A moderate level of achievement in this component is characterised by a good knowledge and understanding of economic facts, principles, concepts and methods from many parts of the syllabus. Candidates apply their knowledge and understanding of economics to problem solving in familiar contexts and in some new contexts using appropriate terminology. They carry out adequate levels of analysis and evaluation on qualitative and quantitative data from different sources; much of their

manipulation of data will be correct. Candidates present arguments and ideas which, in the main, are based on evidence.

A low level of achievement in this component is characterised by a limited knowledge and understanding of economic facts, principles, concepts and methods. Candidates select appropriate facts and principles to solve problems concerning familiar material using a limited range of appropriate terminology. They carry out basic manipulation of data. Candidates present some explanations based on evidence from familiar contexts, though they may include irrelevant material.

Research study

This assessment component requires students to investigate, evaluate and report on an economic-related issue. The research study will be assessed through the medium of a report. The report will be submitted to the State Examinations Commission in sixth year. The report will take the format of a pro-forma booklet which will be issued to students and submitted in written form. The research study will be completed over a period of time of four-six weeks.

The State Examinations Commission will provide an annual brief indicating the topic options for the examination year in question. Students will focus on a particular economic-related issue or question within that topic that is of their choosing. The chosen issue or question may be directly related to specific course content or students may decide to study an aspect of the topic that is of personal, social or local relevance, provided it is related to specific course content.

In particular, the research study requires students to demonstrate that they can:

- research and process data and information that is relevant and meaningful to understanding a particular economic issue
- apply concepts, theories and techniques in the evaluation of data and information in order to make an informed judgement
- understand the ethical, historical, social or environmental implications of economics, and reflect on how economics contributes to the social and political development of society.

The report must be the candidate's own work. Authentication procedures will be put in place to ensure compliance with this requirement. These will include a protocol in relation to the use of internet-sourced material.

Assessment criteria for the second component

A high level of achievement in this component is characterised by consistently applying their knowledge and understanding of economics to problem solving in unfamiliar contexts. They comprehensively evaluate the consequences of contemporary economic problems and issues on individuals, firms and governments. Candidates demonstrate ingenuity, creativity and resourcefulness in their choice of topic and methods of investigation. Candidates demonstrate an ability to select and organise information and data from a variety of sources for relevance and reliability very judiciously. They accurately analyse and evaluate qualitative and quantitative data from different sources; manipulation of data will be almost flawless. Candidates present logical hypotheses and judgements which are clearly based on evidence. They confidently and clearly communicate relevant economic information, ideas and issues in appropriate forms.

A moderate level of achievement in this component is characterised by applying their knowledge and understanding of economics to problem solving in familiar contexts and in some new contexts. They can evaluate the consequences of contemporary economic problems and issues on individuals, firms and governments. Candidates use a range of considered methods of investigation to explore their topic. Candidates can organise information and data from a variety of sources for relevance adequately. They analyse and evaluate qualitative and quantitative data from different sources; manipulation of data will be in the main correct. Candidates present logical hypotheses and judgements which are in the main based on evidence. They can communicate relevant economic information, ideas and issues. Candidates demonstrate a degree of resourcefulness in their investigation

A low level of achievement in this component is characterised by applying their knowledge and understanding of economics to problem solving in very familiar contexts. Evaluation of the consequences of economic problems and issues on individuals, firms and governments is limited. The range of investigation methods used to explore their topic is very limited. The organisation of information and data is not logical in places and emerge from limited sources. Analysis and evaluation of qualitative and quantitative data may be flawed; manipulation of data will be basic. Candidates present some hypotheses and judgements based on evidence, though they may include irrelevant material. They can communicate economic information, ideas and issues to a degree.

Leaving Certificate Grading

Leaving Certificate Economics will be graded using an 8-point grading scale. The highest grade is a Grade 1, the lowest grade a Grade 8. The highest seven grades 1-7 divide the marks range 100% to 30% into seven equal grade bands 10% wide, with a grade 8 being awarded for percentage marks of less than 30%. The grades at higher level and ordinary level are distinguished by prefixing the grade with H or O respectively, giving H1-H8 at higher level, and O1-O8 at ordinary level.

Grade	% Marks
H1/O1	90-100
H2/O2	80<90
H3/O3	70<80
H4/O4	60<70
H5/O5	50<60
H6/O6	40<50
H7/O7	30<40
H8/O8	<30

Figure 6 Leaving Certificate grading scale

Reasonable Accommodations/Inclusion

This economics specification requires that students engage with economic analysis on an ongoing basis throughout the course. In addition, the assessment involves a research study, which accounts for 20% of the total marks awarded. This emphasis on investigative activities may have implications for students with physical/medical/sensory and/or specific learning difficulties. In this context, the scheme of Reasonable Accommodations, operated by the State Examinations Commission, is designed to assist candidates in the Leaving Certificate who have physical/medical/sensory and/or specific learning difficulties.

