



Higher National Unit specification: general information

Unit title: Economics C: Applied Economics — The Global Perspective

Unit code: FJ37 35

Superclass: EB

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Unit purpose

The purpose of the Unit is to give candidates the opportunity to examine the economic theory of trade and to analyse and evaluate regional and global economic relationships. Furthermore, it is about advancing the application of economic concepts and developing critical thinking, policy evaluation and analytical skills in the particular field of economics that deals with trade, globalisation and economic integration at the international level.

This Unit is intended for those candidates who already have a basis of knowledge and understanding of economics and wish to develop this further.

On completion of the Unit the candidate should be able to:

- 1 Explain the role of international trade and payments in economic development.
- 2 Analyse the possible impact of one EU socio-economic issue on the UK.
- 3 Evaluate the economic relationship between Less Developed Countries and Developed Countries.

Recommended prior knowledge and skills

Candidates should possess good communication skills. Other knowledge, skills and experience relevant to the Unit would be beneficial.

In addition, candidates would benefit from achievement of HN Unit Economics A: Introduction to Economics and HN Unit Economics B: Economic Theory and Application

Ultimately, entry is at the discretion of the centre.

General information (cont)

Credit points and level

2 Higher National Unit credits at SCQF level 8: (16 SCQF credit points at SCQF level 8*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

Core Skills

There are opportunities to develop the Core Skills of *Communication* at SCQF level 6, *Working with Others* at SCQF level 6, *Information and Communication Technology* at SCQF level 5, *Numeracy* at SCQF level 5 and *Problem Solving* at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Context for delivery

If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

Assessment

- 1 Outcome 1 will be assessed by one closed-book instrument of assessment covering all Evidence Requirements for this Outcome.
- 2 Outcomes 2 and 3 will be assessed by one open-book assessment covering all Evidence Requirements for both Outcomes.

An exemplar instrument of assessment and marking guidelines has been produced to indicate the national standard of achievement required at SCQF level 8

Higher National Unit specification: statement of standards

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The sections of the Unit stating the Outcomes, Knowledge and/or Skills, and Evidence Requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the Knowledge and/or Skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

Outcome 1

Explain the role of international trade and payments in economic development.

Knowledge and/or Skills

- ◆ The theory of trade including absolute and comparative advantage
- ◆ Gains from international trade
- ◆ Protectionism: the theory and practice
- ◆ The World Trade Organisation and its role
- ◆ Balance of trade and payments
- ◆ Exchange Rates and their relationship with the balance of trade and payments

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ provide a clear explanation of absolute and comparative advantage
- ◆ identify at least three gains from international trade
- ◆ explain two methods of trade protectionism
- ◆ explain why barriers to trade are used
- ◆ describe the role of the World Trade Organisation
- ◆ explain the balance of trade and payments and recent trends in the UK
- ◆ explain exchange rates and their relationship with the balance of trade and payments

This part of the Unit will be assessed by a closed-book assessment, which means candidates should be assessed without the use of notes, textbooks, VLE or other materials in a supervised setting.

Assessment Guidelines

There is a wide variety of methods of assessment that would allow candidates to meet the Evidence Requirements. The following are suggestions and there may be other methods that would be suitable. Centres are reminded that Prior Verification would help to ensure that the national standard is being met.

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This assessment could take the form of a set of unseen structured questions requiring a response of approximately 1000 words across all questions or an essay, also requiring 1000 words or an oral response to set questions requiring the candidate to respond in sustained detail for 8 minutes or an oral presentation of 8 minutes duration or another method decided by the Centre. As this is a closed-book assessment, it would not be appropriate for candidates to use visual aids (such as Powerpoint presentations or posters) in the oral presentation, rather it would be sustained presentation without aid of notes. Broad guidance on the area to be assessed will be given one week prior to the assessment date. It is likely that if it is a written assessment it will take 90 minutes to complete.

It is recommended that oral presentations are recorded in some form for external verification purposes.

NB: It is important that the language used in the assessment instrument reflects SCQF level 8 in each type of task.

Outcome 2

Analyse the possible impact of one EU socio-economic issue on the UK.

Knowledge and/or Skills

- ◆ Economic features of the EU
- ◆ Main features of socio-economic issues of the EU
- ◆ Social/economic costs of socio-economic issues of the EU on economic agents in the UK
- ◆ Social/economic benefits of socio-economic issues of the EU on economic agents in the UK

Outcome 3

Evaluate the economic relationship between Less Developed Countries and Developed Countries.

Knowledge and/or Skills

- ◆ characteristics of Less Developed Countries (LDCs) and Developed Countries (DCs)
- ◆ a current economic issue facing LDCs
- ◆ impact of free trade and multinationals on LDCs
- ◆ the debt crisis

Higher National Unit specification: statement of standards (cont)

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Evidence Requirements for Outcomes 2 and 3

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ explain the main economic features of the EU
- ◆ explain the main features of a socio-economic issue of the EU
- ◆ analyse the impact in terms of economic costs and benefits of a socio-economic issue of the EU on economic agents in the UK
- ◆ explain at least three characteristics of a LDC
- ◆ explain and assess, in relation to developed countries, at least one economic issue facing a LDC
- ◆ evaluate the relationship between LDCs and developed countries with respect to the impact of free trade, multinational companies and the debt crisis.

For both Outcome 2 and Outcome 3 two issues/debates should be taught but for each only one should be assessed.

Outcomes 2 and 3 will be assessed by a single open-book instrument of assessment. Candidates will be given the task at an appropriate point of delivery of the Unit.

Regardless of the assessment method chosen, the candidate must submit a bibliography presented in a standard referencing format, such as Harvard.

Assessment Guidelines for Outcomes 2 and 3

There is a wide variety of methods of assessment that would allow candidates to meet the Evidence Requirements. The following are suggestions and there may be other methods that would be suitable. Centres are reminded that Prior Verification would help to ensure that the national standard is being met.

This assessment could take the form of an open-book essay with an expected candidate response of approximately 2,000 words *or* an individual oral presentation *or* poster exhibition with an expected candidate's response of approximately 15 minutes in presentation *or* explanation of poster *or* any other method that is appropriate to meet the Evidence Requirements. Candidates could also provide the Evidence Requirements in the form of an individual Blog *or* creation of a website, with approximately 2,000 words.

Tutors should ensure candidates are aware of the importance of the judicious selection of appropriate academic sources.

NB: It is important that the language used in the assessment instrument reflects SCQF level 8.

Higher National Unit specification: support notes

Unit title: Economics C: Applied Economics — The Global Perspective

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 80 hours.

Guidance on the content and context for this Unit

This is one of a suite of Economics Units within HNC/D Social Sciences Group Awards. This Unit leads on from *Economics A: Introduction to Economics* and *Economics B: Economic Theory and Application* and prepares candidates for *Economics D: Economics Today*. The Unit can be taught as a free-standing Unit or as part of the HND Social Sciences Group Award.

Since virtually no economy operates in isolation, it is important that the interdependence between economies is studied in an international context. Within a cluster of four economics Units, this Unit is designed with a particular focus on the global society. Links can be drawn between this Unit and other social science subjects such as politics, sociology and geography in terms of subject matter, methodology and context of delivery. At SCQF level 8, it builds on the first year economic Units to explain the economic context of the global society. The main focus will be from the UK's perspective in relation to the EU but the relationship between the developed and developing world will also be considered.

Outcome 1 introduces candidates to the theory of international trade. It builds on the open economy model introduced in *Economics A: Introduction to Economics*. Arguments for and against protectionist policies can be used to introduce differing economic views on international trade, which can be tied back to key ideas of economic thinkers that may have been introduced in the first Unit in the suite of economics units written for HN Social Sciences. This Outcome also addresses the economic theory underpinning trade, the balance of trade and payments and provides candidates with opportunities to explore recent trends, with particular reference to the UK.

Outcome 2 will explain the UK's position in the economic trading organisation of the EU. Although only one socio-economic issue of the EU needs to be assessed there is ample flexibility for centres to teach a number of issues, thus allowing candidates' choice in their open-book assessments. This flexibility will also allow the most up-to-date issues to be considered, thereby keeping the Unit and teaching contemporarily relevant. Examples of socio-economic issues that may be considered are the single currency, CAP, EU enlargement, factor and the movement of factors of production, commodities and labour in the EU. The features of the issues along with how they affect economic agents will also bring to light the application of theory to real situations. Candidates could also be encouraged to have a structured and supported debate on the economic merits and demerits of being part of the Union. Candidates should be encouraged and assisted to learn actively and to develop higher-order skills of analysis. Economic agents may include exporters, importers, consumers, domestic businesses, employees, the unemployed and governments.

Higher National Unit specification: support notes (cont)

Unit title: Economics C: Applied Economics — The Global Perspective

Outcome 3 is concerned with the nature of the prevailing international economic order in which the various leagues of economies interact. Specific reference is to be made to the characteristics of the LDCs. As in Outcome 2, although only one economic issue facing LDCs needs to be assessed, there is ample flexibility for centres to teach a number of issues, thus allowing candidates' choice in their open-book assessments. This flexibility will also allow the most up-to-date issues to be considered, thereby keeping the Unit and teaching contemporarily relevant. Also in the Unit LDCs' relationships, in terms of trade and development assistance, with the developed economies as a group are to be analysed so the impacts of the relationship to both the developing and developed countries should be considered. The UK's relationship with developing economies can be used as an example.

Candidates should be encouraged to critically think about the relationship between the developed and less developed world. They should also be encouraged to discuss solutions for some of the problems such as the debt crisis such as swapping debt, debt-for-equity, debt-for-cash, debt-for-nature, debt rescheduling and debt cancellation.

Some of the skills a candidate will possess on the completion of this Unit are generic and not subject specific. These would include skills such as information processing, critical thinking and interpersonal skills.

Guidance on the delivery and assessment of this Unit

Centres should design an appropriate assessment instrument based on a method that is suitable in allowing candidates to meet the Evidence Requirements. This can be written or oral (depending on the needs of the candidates and the organisational aspects for the Centre in choosing particular methods). If an oral method is chosen, it is recommended that Centres record this (either by DVD or digital recorder etc) or provide assessor notes on the presentation for External Verification purposes. Oral presentations must be done individually as each candidate has to show evidence of meeting all Evidence Requirements, so a group presentation would not be suitable.

If the Centre is using a Blog or creation of a website as the way to gather evidence, this should not be in the public domain. Rather it should be on an intranet or private area of a VLE to reduce the likelihood of plagiarism. Authenticating a candidate's work is essential. It would be helpful to collect notes or PPT presentation materials from a candidate as further evidence of meeting SCQF level 8 in the presentation.

A Centre can choose to use a mixture of methods across a cohort, as it may be more suitable for some candidates to give a written response and for others to use an oral method.

Centres should make sure they can authenticate a candidate's work for Outcomes 2 and 3 (open-book). This may be done by questioning a candidate about their work, by seeing drafts of work under construction, by having partial write-up in presence of assessor or by using an anti-plagiarism tool, such as Turnitin or SafeAssign, which checks Internet sites.

Higher National Unit specification: support notes (cont)

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Remediation for the closed book assessment could be done by oral clarification for minor omissions or to clarify minor detail. If additional information is required this can be added, as long as it is in total approximately 100 words or less per outcome. If these conditions cannot be met, then the candidate should be reassessed using a different set of questions.

Remediation for the open book assessment should be done by a review of the original work. Candidates should be asked to hand in a complete piece of work, with amendments incorporated in the appropriate context, rather than a large add-on at the end, or asked to fully rewrite their work to a prescribed format if it did not meet requirements. Oral clarification could be used for minor omissions or to clarify minor detail. If it is thought appropriate that a candidate tackle a different topic or question, then that new submission would count as a reassessment.

In oral work, candidates can be questioned by the assessor at the end of their presentation or explanation, where minor omissions occur, or where clarity is required. This would help to reduce the need for reassessment. However, where more work is required to meet the evidence requirements (eg where the quality of evidence is poor in a presentation) another presentation of the same duration, on the same topic or question as the original would be required. Only where a different topic or question is attempted would this be classed as reassessment.

Opportunities for developing Core Skills

The delivery and assessment of this Unit may contribute towards the development of Core Skills of Communication, Working with Others, Numeracy, Problem Solving and ICT. It can also support the development of other transferable skills, such as, essay writing, referencing, citation and bibliography skills and thinking, analytical and critical skills.

It is possible to develop **Communication at SCQF level 6** if the assessment takes the form of an essay/report or oral presentation. **For written communication at SCQF level 6 the skill is: produce well structured written communication on complex topics.** To develop this skill candidates can be encouraged in both formative and summative assessment to present all essential ideas/information and supporting detail in a logical and effective order; use a structure that is organised and use paragraphing to make distinctions between facts, opinions, arguments and conclusion, use a format, layout, and word choice which are appropriate to the content and context, and use spelling, punctuation, vocabulary and sentence structures which are consistently accurate.

The candidates could be tasked with producing a written communication which presents, analyses, and evaluates a substantial body of information. These skills can be developed through formative activities, such as shorter essays on each topic or on a major theorist, without being formally assessed for certification of Core Skill. The topics that Centres can choose are complex so should easily fit with SCQF level 6.

Higher National Unit specification: support notes (cont)

Unit title: Economics C: Applied Economics — The Global Perspective

It is important to develop report writing or essay-writing skills for candidates' future progression. In doing this candidates should also be encouraged to use an appropriate referencing method, such as Harvard, for any formative or summative essays. Referencing, citation and bibliography skills are best developed using the vehicle of formative essay writing. This will have been developed within earlier Economics units, if they were studied previously. The development can continue in this Unit. The Assessment for Outcomes 2 and 3 could be a written essay that would include the need for referencing and citation skills.

For oral communication at SCQF level 6 the skill is: produce and respond to oral communication on a complex topic. In both formative and summative assessment the candidate could be encouraged to give a detailed oral presentation as formative work, as the subject matter of the Unit is sufficiently complex. The specific skills of using an appropriate level of vocabulary, consistent spoken language structures and formality, conveying all essential information, opinions, or ideas with supporting detail accurately and coherently, and with varied emphasis as appropriate and responding to others, taking account of their contributions would be developed in an oral presentation. Although a summative assessment would require individual work and individual presentation, a formative assessment could be constructed that would encourage candidates to work in a small group, with a few people contributing to the presentation. This could be on a particular part of the Unit's content such as one socio-economic issue of the EU. This may allow a candidate to experience the demands of oral presentation before choosing this as an option for summative assessment of the Unit (if Centre is able to give that choice).

As it is important that candidates recognise the need to use a bibliography (or reference section) in a standard format, such as Harvard, for citation purposes then even oral assessment methods should consider incorporating an appropriate bibliography to encourage development of this skill.

For the Core Skill of Working with Others at SCQF level 6, the skills are 'Working Co-operatively with Others, in complex interactions, work with others co-operatively on an activity and/or activities', and 'Review Co-operative Contribution, review work with others in a co-operative activity and/or activities'. Candidates will be involved in complex interactions. Formative activities could be used to encourage candidates to work co-operatively with others. A group presentation task or information gathering task could be the basis of developing specific skills relevant to this Core Skill. It would be appropriate to encourage candidates to reflect on their own contribution to any group activity, whether that is a formative oral presentation or research for an issue or debate, which may be done as a group activity.

Higher National Unit specification: support notes (cont)

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For the Core Skill of Information and Communication Technology at SCQF level 5 the skills are: ‘Accessing Information, use ICT independently, effectively, and responsibly to access information within a range of tasks’ and ‘Providing/Creating Information, use ICT independently, effectively, and responsibly to carry out a range of processing tasks’. This Unit can help to develop such skills by the use of mini formative presentations using PowerPoint or other ICT presentation tool that will also support the development of oral communication. A summative assessment using ICT presentation methods is also possible. Specific areas of accessing information using Internet searches or VLE use and providing and creating information can be developed in such tasks. Creating a Blog or a website for the summative assessment is another way in which this Core Skill can be developed. This could be used where candidates (and their lecturer) have particular skills and interest in ICT.

For the Core Skill of Numeracy at SCQF level 5 the skills are: ‘Using Number, apply a range of numerical skills in various everyday situations’ and ‘Using Graphical Information, interpret and communicate graphical information in everyday situations’. This Unit is likely to fit into the treatment and presentation of findings required in the production of a research report, either as formative or summative work across the three Outcomes. It is also likely to fit well with numerical examples of absolute and comparative advantage in Outcome 1. Formative work across the subject matter of the Unit is likely to involve the use of graphical information.

For the Core Skill of Problem Solving at SCQF level 6 the skills are: ‘Analysing a complex situation or issue’, ‘planning, organising and completing a complex task’ and ‘reviewing and evaluating’. These skills will be developed at SCQF level 6 throughout this Unit particularly in planning the tasks and the need to evaluate strategies. Tutors should encourage learners to explore appropriate strategies for managing their time and evaluating the considerable amount of data available on the topics contained in this Unit. Tutors may actively choose to further develop this skill by setting tasks for group activity and arranging joint information feedback sessions. This Core Skill could be developed without formal certification

Thinking, analytical and critical skills could be developed by posing questions at appropriate points in the delivery, enabling discussion and promoting the need for candidates to take responsibility for learning by encouraging the development of research skills via the Internet or using text books.

Curriculum for Excellence

The Curriculum for Excellence aspires to place learners at the centre of the curriculum and develop their capacities as Successful Learners, Confident Individuals, Responsible Citizens and Effective Contributors. The four capacities will be developed throughout this Unit.

Higher National Unit specification: support notes (cont)

Unit title: Economics C: Applied Economics — The Global Perspective

This Unit will develop the literacy and communication skills of the learners by way of formative and summative assessments. Independent learning is required throughout this Unit, whilst the opportunity is available for group learning through formative tasks. The subject of economics demands independent thinking, and through reasoned evaluation encourages learners to reach satisfactory conclusions. Further opportunity is offered to develop technological skills by way of researching via the internet, the production of word documents, PowerPoint presentations, blogs and/or the creation of a website. Collectively these skills contribute towards the creation of a **Successful Learner**.

Time management skills should improve during the delivery of this Unit, as should the ability to relate to others through formative tasks. The topics in Economics C should allow the learner to develop their own thoughts of the world around them, and they will be given the opportunity to express these views within the classroom setting. This should lend to the emergence of a **Confident Individual**, particularly if they gain success in the achievement of the Unit.

Economics C can also contribute to learners becoming **Responsible Citizens** by allowing the opportunity to develop knowledge and understanding of the economic relationships that underpin modern economies/societies.

Learners can become **Effective Contributors** to society by learning to work together effectively in teams within the class setting. This can be achieved through group-work where they can apply critical thinking within new contexts. In planning group tasks, evaluating data and presenting their findings, learners will also develop problem solving skills. Both oral and written communication skills will also be developed. This can be achieved through written work, individual PowerPoint presentations, and the creation of blogs and websites.

All these skills can be developed within the Unit.

Open learning

This Unit could be delivered by open or distance learning; however, it would require planning by the centre to ensure sufficiency and authenticity of candidate evidence.

Arrangements would have to be made to ensure that the assessment for Outcome 1 was conducted closed-book and under supervision. For Outcomes 2 and 3 a written response in the form of an essay or answers to structured questions could be posted or e-mailed to the assessor or uploaded onto a VLE. An oral presentation could be used that would be recorded on DVD and sent to the assessor, or could be done using video-conferencing or web-link and observed by the assessor.

Disabled candidates and/or those with additional support needs

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering whether any reasonable adjustments may be required. Further advice can be found on our website www.sqa.org.uk/assessmentarrangements.

History of changes to Unit

Version	Description of change	Date
02	Clarification of reassessment and remediation statements.	23/10/12

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General information for candidates

Unit title: Economics C: Applied Economics — The Global Perspective

As we live in an increasingly international world where nations trade more and more with one another and engage in other various forms of economic relations, the interdependence recreates the world in the image of a global village. It is thus important that we study economics at international level. Within a cluster of four economics Units, this Unit is designed with particular focus on the economic dimensions of the global society. It looks at the global economic environment and the prevailing international economic order and regional trade arrangements, such as the European Union (EU). It places emphasis on the study of international economic relations.

The main purpose of the Unit is to give you the opportunity to examine the economic theory of trade and to analyse and evaluate regional and global economic relationships.

The first Outcome introduces you to the theory of international trade. The basis of trade and arguments for and against protectionist policies will allow you to explore recent trends in trade with reference to the UK.

This part of the Unit will be assessed by a closed-book assessment, which means you will be assessed without the use of notes, textbooks, VLE or other materials in a supervised setting. This could take the form of a set of unseen structured questions requiring a response of approximately 1000 words across all questions or an essay, also requiring approximately 1000 words or an oral response to set questions requiring you to respond in sustained detail for approximately 8 minutes or an oral presentation of approximately 8 minutes duration or another method decided by your Centre. Your centre will inform you of the chosen method in good time. You will know the broad area to be assessed one week prior to the assessment date. It is likely that if it is a written assessment it will take 90 minutes to complete.

Outcomes 2 and 3 of this Unit are concerned with international relationships. Outcome 2 will allow you to examine the UK's position in the economic trading organisation of the EU. As part of your learning in this Outcome you will explore socio-economic issues of the EU such as CAP, EU enlargement, factor and commodity mobility and immigration. The features of the issues along with how they affect economic agents will also bring to light how theory relates to real situations. In Outcome 3 you will get the opportunity to evaluate the relationship between developed and less developed countries and to help you to do so you will also study the features of LDCs and issues which they face.

These parts of the Unit will be assessed *open-book*. This means that you will be allowed access to materials (eg text books, notes, VLE). You will be assessed on both a socio-economic issue of the EU and also on the relationship between developed countries and less developed countries. The task will be handed out to be completed at a date specified by the Centre. It should be completed according to a prearranged format and could take the form of an open-book essay *or* set of structured questions with an expected response of approximately 2,000 words *or* an individual oral presentation *or* poster exhibition with expected response of 15 minutes in presentation or explanation of poster, a pod cast *or* any other method that is appropriate to meet the Evidence Requirements. You may be able to provide the Evidence Requirements in the form of an individual Blog, or creation of a website, with approximately 2000 words. Your Centre will advise you of the methods chosen for both parts of this Unit.

General information for candidates (cont)

As you progress through the Unit material, you will be encouraged to develop the Core Skills of *Communication* at SCQF level 6, *Working with Others* at SCQF level 6, *Numeracy* at SCQF level 5, *Information and Communication Technology* at SCQF level 5 and *Problem Solving* at SCQF level 6 by the types of activities you will experience.

You will also be given opportunities throughout the Unit to develop as a successful learner, a confident individual, a responsible citizen and an effective contributor.