

National Unit Specification: general information

UNIT The International Economy (Intermediate 1)

NUMBER DM4Y 10

COURSE Economics (Intermediate 1)

SUMMARY

This Unit enables candidates to show that they are aware of international trade, the balance of trade and exchange rates as well as the place of the UK in the international economy, with particular reference to the European Union and developing countries.

This Unit is a mandatory Unit of the *Economics (Intermediate 1)* Course and is also available as a free standing Unit.

This Unit is suitable for candidates progressing from Standard Grade Courses and provides a basis for further study.

OUTCOMES

- 1 Demonstrate awareness of international trade and the balance of trade.
- 2 Demonstrate awareness of the international economic environment.

RECOMMENDED ENTRY

Entry is at the discretion of the centre. However, candidates will normally be expected to have attained one of the following or equivalent:

- ◆ Standard Grade English at Foundation level
- ◆ Standard Grade Economics at Foundation level

Administrative Information

Supeclass: EB

Publication date: July 2006

Source: Scottish Qualifications Authority

Version: 01

© Scottish Qualifications Authority 2006

This publication may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged.

Additional copies of this course specification (including Unit specifications) can be purchased from the Scottish Qualifications Authority for £7.50. **Note:** Unit specifications can be purchased individually for £2.50 (minimum order £5).

National Unit Specification: general information (cont)

UNIT The International Economy (Intermediate 1)

CREDIT VALUE

1 credit at Intermediate 1 (6 SCQF points at SCQF level 4*)

**SCQF 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 points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

CORE SKILLS

There is no automatic certification of Core Skills or Core Skills components in this Unit.

National Unit Specification: statement of standards

UNIT The International Economy (Intermediate 1)

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to the Scottish Qualifications Authority.

OUTCOME 1

Demonstrate awareness of international trade and the balance of trade.

Performance Criteria

- (a) Relevant economic concepts relating to international trade and the balance of trade are outlined.
- (b) Relevant examples relating to international trade and the balance of trade are identified.

OUTCOME 2

Demonstrate awareness of the international economic environment.

Performance Criteria

- (a) Relevant economic concepts relating to the international trade economic environment are outlined.
- (b) Relevant examples relating to the European Union and developing countries are identified.

EVIDENCE REQUIREMENTS FOR THE UNIT

The mandatory content for this Unit is specified in Appendix 1 — Unit Content.

Evidence is required to demonstrate that candidates have met the requirements of both Outcomes and all Performance Criteria.

Candidates are required to demonstrate knowledge and understanding of the Unit content by answering short answer response questions drawn from all areas of the Unit content and covering both Outcomes.

Evidence will be produced by candidates completing a number of short answer questions in a closed book assessment. Candidates must attempt this assessment in controlled conditions on a single occasion. The maximum time allowed is 60 minutes.

If re-assessment is required, it should consist of a different instrument of assessment with a different sample from the range of Unit content.

Achievement can be determined by the use of a cut-off score. The standard to be applied, the appropriate cut-off score and the breadth of coverage are illustrated in the National Assessment Bank items available for this Unit. If a centre wishes to design its own assessment for this Unit, it should be of a comparable standard.

National Unit Specification: support notes

UNIT The International Economy (Intermediate 1)

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 40 hours.

GUIDANCE ON THE CONTENT AND CONTEXT FOR THIS UNIT

This Unit is one of three mandatory Units in the Intermediate 1 Economics Course. It looks at international trade and the balance of trade from a UK perspective but also covers economic aspects of the European Union (EU) and developing countries. It includes the reasons for and the benefits of international trade as well reasons for barriers to trade. It aims also to build awareness of the international context of the UK economy by looking at aspects of the EU and of developing economies.

GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT

The Unit should be approached holistically. There is considerable scope to make use of current examples to illustrate and explain the material which comprises this Unit. Examples can be used to enable candidates to recognise the everyday importance of the material in the Unit and how economic events can affect them and others. Newspapers, business magazines, television news and the internet can provide many suitable and current examples which could be used as stimulus material for class exercises and other learning and teaching activities.

There are close links with the other two Units at Intermediate 1 level. For example, international trade is an aspect of the circular flow of income in *The UK Economy (Intermediate 1)* Unit and exports and imports can be related to the study of demand and supply in *Microeconomics (Intermediate 1)* Unit. Where candidates are undertaking this Unit as part of the Intermediate 1 Course, the learning and teaching approaches for this Unit should assist them to make connections between the three Units and to recognise that they are interdependent.

GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT

Short answer questions are most likely to enable candidates to generate suitable evidence for this Unit. Short answer questions allow candidates to show that they can outline relevant economic terms and can allow them to describe in simple terms what happens in the international economic environment. In some cases, a response of one or two words may be sufficient to demonstrate understanding or to show that the candidate can outline straightforward economic concepts.

These questions are to be attempted in controlled conditions so candidates should be given assistance to help them prepare for such an assessment event.

National Unit Specification: support notes (cont)

CANDIDATES WITH DISABILITIES AND/OR ADDITIONAL SUPPORT NEEDS

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering alternative Outcomes for Units. Further advice can be found in the SQA document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (www.sqa.org.uk).

National Unit Specification: statement of standards (cont)

UNIT The International Economy (Int 1)

Appendix 1 — Unit Content

NB: This Appendix is within the statement of standards ie the mandatory requirements of the Unit.

Outcome 1

Candidates should be able to make use of the following economic concepts to demonstrate awareness of international trade and the balance of trade.

Reasons for international trade	Absolute advantage – different climates, different resources. Benefits of international trade. Barriers to trade. Reasons for barriers to trade.
Balance of trade	Components: exports, imports, goods, services. Distinction between flows of goods and services and the consequent money flows. Balance of Trade in goods and services.
Patterns of UK trade	Composition of trade: examples of exports and examples of imports, countries of origin of imports and destination of exports.
Exchange rates	The price of one currency in terms of another. Examples of different currency units.

Outcome 2

Candidates should be able to make use of the following economic concepts to demonstrate awareness of the international economic environment.

European Union	Single European Market, eurozone.
Developing countries	Characteristics: for example, dependence on primary production, low output, lack of capital goods, high debt. Forms of aid to developing countries.