



Higher
Course Assessment
Specification



Higher Economics Course Assessment Specification (C722 76)

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Please refer to the note of changes at the end of this Course Assessment Specification for details of changes from previous version (where applicable).

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Course outline

Course title:	Higher Economics
SCQF level:	6 (24 SCQF credit points)
Course code:	C722 76
Course assessment code:	X722 76

The purpose of the Course Assessment Specification is to ensure consistent and transparent assessment year on year. It describes the structure of the Course assessment and the mandatory skills, knowledge and understanding that will be assessed.

Course assessment structure

Component 1 — question paper	70 marks
Component 2 — assignment	30 marks
Total marks	100 marks

This Course includes six SCQF credit points to allow additional time for preparation for Course assessment. The Course assessment covers the added value of the Course.

Equality and inclusion

This Course Assessment Specification has been designed to ensure that there are no unnecessary barriers to assessment. Assessments have been designed to promote equal opportunities while maintaining the integrity of the qualification.

For guidance on assessment arrangements for disabled learners and/or those with additional support needs, please follow the link to the Assessment Arrangements web page: www.sqa.org.uk/sqa/14977.html.

Guidance on inclusive approaches to delivery and assessment of this Course is provided in the *Course Support Notes*.

Assessment

To gain the award of the Course, the learner must pass all of the Units as well as the Course assessment. Course assessment will provide the basis for grading attainment in the Course award.

Course assessment

SQA will produce and give instructions for the production and conduct of Course assessments based on the information provided in this document.

Added value

The purpose of the Course assessment is to assess added value of the Course as well as confirming attainment in the Course and providing a grade. The added value for the Course will address the key purposes and aims of the Course, as defined in the Course rationale. It will do this by addressing one or more of breadth, challenge, or application.

In this Course assessment, added value will focus on the following:

- ◆ breadth — drawing on knowledge and skills from across the Course
- ◆ challenge — requiring greater depth or extension of knowledge and/or skills
- ◆ application — requiring application of knowledge and/or skills in practical or theoretical contexts as appropriate

This added value consists of:

- ◆ researching real-life economic situations, some of which may be complex, to make informed economic judgements and decisions
- ◆ selecting relevant economic information, some of which may be complex, to make informed economic decisions
- ◆ applying knowledge and understanding of economic concepts to real-life economic situations, including those in a Scottish context
- ◆ evaluating both straightforward and complex economic data and evidence from a wide range of sources, to draw conclusions and/or recommendations
- ◆ communicating economic reasoning and conclusions and/or recommendations clearly and logically

Grading

Course assessment will provide the basis for grading attainment in the Course award.

The Course assessment is graded A–D. The grade is determined on the basis of the total mark for all Course assessments together.

A learner's overall grade will be determined by their performance across the Course assessment.

Grade description for C

For the award of grade C, learners will have demonstrated successful performance in all of the Units of the Course. In the Course assessment, learners will typically have

demonstrated successful performance in relation to the mandatory skills, knowledge and understanding for the Course.

Grade description for A

For the award of grade A, learners will have demonstrated successful performance in all of the Units of the Course. In the Course assessment, learners will typically have demonstrated a consistently high level of performance in relation to the mandatory skills, knowledge and understanding for the Course.

Credit

To take account of the extended range of learning and teaching approaches, remediation, consolidation of learning and integration needed for preparation for external assessment, six SCQF credit points are available in Courses at National 5 and Higher, and eight SCQF credit points in Courses at Advanced Higher. These points will be awarded when a grade D or better is achieved.

Structure and coverage of the Course assessment

The Course assessment will consist of two Components: a question paper and an assignment. The question paper will have two Sections.

Component 1 — question paper

The purpose of this question paper is to address breadth and application. Breadth will be assessed by drawing on, and by sampling, the skills, knowledge and understanding from across the Course. Learners will also be required to apply their knowledge and understanding of economic concepts and situations, in contexts which are mainly complex, alongside the related skills.

The question paper will give learners an opportunity to demonstrate the following skills, knowledge and understanding by:

- ◆ applying and integrating knowledge and understanding of economic concepts from all aspects of the Course
- ◆ demonstrating clarity and logic in the communication of economic ideas
- ◆ using data handling techniques to interpret economic information
- ◆ analysing economic data, evidence and issues to make economic judgements and/or decisions
- ◆ drawing valid conclusions and/or recommendations based on economic evidence
- ◆ producing written responses with clarity

The question paper will have 70 marks (70% of the total mark).

The question paper has two Sections.

Section one will have 25 marks and will consist of a number of mandatory short-answer questions based on items of stimulus material. The questions will be drawn from any aspect of the Course and will require learners to demonstrate the application of skills, knowledge and understanding within the context of the stimulus material.

Section two will have 45 marks and will consist of three questions, each based on a Unit from the Course.

Questions from each of the above Sections will be sampled from the Course coverage, ensuring there is no duplication of topics and that there is a balanced coverage across the Course.

Component 2 — assignment

The purpose of this assignment is to address challenge and application. The assignment will provide learners with the opportunity to apply research, analytical, evaluative and decision-making skills within the context of the assignment. Learners should use a range of sources of economic information relevant to the context of the assignment to produce a report of their findings.

This assignment will give learners an opportunity to demonstrate the ability to:

- ◆ apply relevant economic concepts and theories to the context of the assignment
- ◆ draw valid conclusions and/or make justified recommendations based on economic data, concepts and evidence from a range of sources

- ◆ communicate economic reasoning and conclusions and/or recommendations with clarity

This assignment will have 30 marks (30% of the total mark).

The assignment will require learners to undertake the following tasks:

- ◆ collect information/evidence relating to the context of the assignment
- ◆ analyse and evaluate economic data/information to reach conclusions and/or recommendations
- ◆ produce a report relating to the context of the assignment

The assignment will have a greater emphasis on the assessment of skills than the question paper and marks awarded will reflect this.

For further details of the Course requirements, please see the 'Further mandatory information on Course coverage' section.

Setting, conducting and marking of assessment

Question paper

This question paper will be set and marked by SQA, and conducted in centres under conditions specified for external examinations by SQA. Learners will complete this in 2 hours.

Controlled assessment — assignment

This assignment is:

- ◆ set within SQA guidelines
- ◆ conducted under a high degree of supervision and control

Evidence will be submitted to SQA for external marking.

All marking will be quality assured by SQA.

Setting the assessment

Set within SQA guidelines

Conducting the assessment

The assignment will be conducted under supervision and control to ensure that the work presented is the learner's own.

The assignment will be split into two parts — research and write up.

- ◆ The research should be conducted within the number of hours allocated to completing it.
- ◆ The research and data/collection may be completed individually or as a group, but data from the research must be kept on an individual basis.
- ◆ Learners will write up the findings of their assignment on an individual basis in supervised conditions, within 1 hour and 30 minutes.
- ◆ Guidelines regarding the time frame for starting and completing the assignment will be provided by SQA.

Further mandatory information on Course coverage

The following gives details of mandatory skills, knowledge and understanding for the Higher Economics Course. Course assessment will involve sampling the skills, knowledge and understanding. This list of skills, knowledge and understanding also provides the basis for the assessment of Units of the Course.

When preparing learners for the Course assessment, please refer first to the 'Structure and coverage of the Course assessment' section.

The Course assessment (question paper and assignment) will require learners to draw on and apply knowledge and understanding of any of the topics listed below. This table should be read in conjunction with the descriptions of the question paper and the assignment.

Economics of the Market

The economic problem	Concepts of scarcity, choice, and opportunity cost — their relationship and importance Effect of opportunity cost on individuals, firms and governments Difference between scarcity and shortage Economic goods and free goods
Production possibility diagrams	How they are constructed, what they show Technical efficiency and economic efficiency
Demand (theory of)	Effective demand, demand schedules/curves Individual and market demand Total, marginal and diminishing marginal utility Derivation of demand curve using marginal utility Income and substitution effects
Determinants of demand	Shifts of, and movements along, the demand curve Price, income, tastes, advertising, prices of other goods (substitutes and complements), fashion, population, availability of credit, expectations of price changes Effects of changes of determinants of demand on quantity demanded
Price elasticity of demand (PED)	Effects of price changes on total revenue Factors influencing PED, eg availability of substitutes, durability, habit forming goods, percentage of income spent, etc
Production	Specialisation, division of labour, productivity Returns to factors of production, returns to single variable factor
Costs	Fixed, variable, total, average, marginal Short and long run average cost curves, law of diminishing returns, economies and diseconomies of scale Relationship between costs, revenue and profit
Supply	Supply schedules/curves Individual and market supply
Determinants of supply	Shifts of, and movements along, the supply curve Prices, cost of factors of production, technology, weather, taxes and subsidies, price of other goods, expectations of price changes
Markets	Nature of the market, setting of prices by market forces Price as a basis for exchange and market clearing

	<p>How markets allocate resources and determine equilibrium price and quantity traded</p> <p>Effects of changes in demand and supply on equilibrium level</p> <p>Relationships between demand and supply, eg joint demand, competitive demand, joint supply</p>
Market intervention	<p>Reasons for, and types of, intervention, eg taxes, subsidies, quotas, maximum prices and minimum prices</p> <p>Market failure — types of market failure such as monopoly, externalities, public goods, merit goods, income distribution</p> <p>Characteristics of perfect competition and monopoly</p>

UK Economic Activity

Government Finance	<p>Taxation — reasons for, indirect, progressive, regressive, balance between direct and indirect, effects of taxation on individuals and firms</p> <p>Government spending – reasons for current, capital, transfer payments</p> <p>Budget — balanced, deficit and borrowing, surplus</p>
Government aims	<p>Inflation — definition and measurement, causes of inflation, effects of inflation on individuals, firms and the UK economy, trends in and reasons for trends</p> <p>(Un)employment — definition and measurement, reasons for and types of unemployment, effects on individuals, firms and the UK economy, trends in and reasons for trends</p> <p>Growth — total output, standards of living, means of increasing output</p>
Government policies	<p>Fiscal</p> <p>Monetary</p> <p>Supply side</p>
National income	<p>Circular flow of income — injections and withdrawals</p> <p>Effects of national income on employment and output</p> <p>Real and nominal Gross Domestic Product (GDP) and Gross National Product (GNP)</p> <p>Concept of the multiplier, calculation of simple multiplier</p> <p>Uses of national income statistics</p>
Place of Scotland in the UK economy	<p>Devolution powers — ability to raise taxes</p> <p>Impact of UK economic policies on Scotland</p>

Global Economic Activity

Understanding global trade	<p>UK imports and UK exports</p> <p>Advantages and disadvantages of global trade</p> <p>Reasons for trade, eg global specialisation, absolute and comparative advantage</p> <p>Trends in UK import and UK exports</p> <p>Patterns and reasons for trends</p>
Multinationals	<p>Location factors and effects on home and host country</p>
Exchange rates	<p>Causes and effects of exchange rate changes for individuals, firms and the current account</p>
Balance of payments	<p>Definition of current account, component elements of current account</p> <p>Trends in, and reasons for, current account surpluses and</p>

	<p>deficits</p> <p>Impact that changing imports and exports have on the current account</p> <p>Methods of reducing current account deficits</p> <p>Definition of capital account and component elements</p> <p>Definition of balance of payments</p>
Understanding the impact of global economy	<p>EU — economic features, eg eurozone, enlargement, European Central Bank, common external tariff — impact of these on the UK economy</p> <p>Developing economies — economic characteristics, assistance to, long- and short-term impact on UK economy</p> <p>Emerging economies — characteristics and current examples of, impact on UK firms and the UK economy</p>

Administrative information

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History of changes to Course Assessment Specification

Version	Description of change	Authorised by	Date
1.1	Some minor changes within the Structure and coverage of the Course assessment section regarding format of question paper and assignment. Additional clarification provided in the Setting, conducting and marking of assessment section. Changes to wording to clarify content in the further mandatory information on Course coverage section.	Qualifications Development Manager	April 2014
1.2	Changes made to wording within the 'Assessment' and 'Structure and coverage of the Course assessment' sections to show conclusions and/or recommendations.	Qualifications Manager	August 2016

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