

2018

Program

Preliminary Economics

Topic 3: Markets

TOPIC: MARKETS

DURATION: 20%

TEACHER:

DATE STARTED:

DATE FINISHED:

TOPIC FOCUS: The focus of this topic is the operation of markets. The way in which market prices are determined and the need and means available for governments to intervene in markets are highlighted.

WHAT WE WANT STUDENTS TO KNOW/BE ABLE TO DO BY THE END OF THIS TOPIC:

Examine economic issues

- identify how business and governments can use information from the market
- examine the forces in an economy that tend to cause prices to rise
- identify reasons why government may intervene in certain markets
- explain how market solutions can lead to improved efficiency
- examine the nature of competition in markets characterised by oligopoly and monopoly
- identify some of the problems that can ensue with a heavy reliance on market solutions in an economy
- discuss how market forces can lead to environmental problems such as pollution
- propose alternatives to market solutions

Apply economic skills

- graph demand and supply curves and interpret the impact on the equilibrium of changes in market forces
- analyse non-equilibrium market situations and propose solutions to them
- calculate the price elasticity of demand using the total outlay method
- work in groups to investigate and report on the nature of competition within a specific industry.

TOPIC OUTCOMES:

P1 demonstrates understanding of economic terms, concepts and relationships

P2 explains the economic role of individuals, firms and government in an economy

P3 describes, explains and evaluates the role and operation of markets







P5 analyses the relationship between individuals, firms, institutions and government in the Australian economy

P8 applies appropriate terminology, concepts and theories in economic contexts

P10 communicates economic information, ideas and issues in appropriate forms

P11 applies mathematical concepts in economic contexts

P12 works independently and in groups to achieve appropriate goals in set timelines.












CONTENT	TEACHING AND LEARNING STRATEGIES	RESOURCES
<p>The role of the market</p> <ul style="list-style-type: none"> determining solutions to the economic problem the importance of relative price in reflecting opportunity costs in the goods and services and factor markets <p>Demand and supply</p> <p>Demand</p> <ul style="list-style-type: none"> law of demand, individual and market demand, the demand curve factors affecting demand – price, income, population, tastes, prices of substitutes and complements, expected future prices movements along the demand curve and shifts of the demand curve <p>Supply</p> <ul style="list-style-type: none"> law of supply, individual and market supply, the supply curve factors affecting supply – price/cost of factors of production, prices of substitutes and complements, 	<ul style="list-style-type: none"> Games and simulations Powerpoints with activities/questions and discussions Nearpod lesson MIND MAP CREATION Watch music clips on concepts read News articles/Journals and answer questions examine quotes and statistics for usefulness and catalogue them discuss and debate controversial ideas and conflicting viewpoints complete tables, timelines and create organisational lists research on topics for up-to-date research and alternative viewpoints work with model and structured responses PETEL PARAGRAPHS write practice answers Past papers complete formative assessments such as practice tests and model responses Watch You tube clips Watch music clips on concepts Google forms quizzes 	<p>Alternative resources and activities also kept on Google classroom</p> <hr/> <ul style="list-style-type: none">  Intro to Markets - DemandFile <hr/> <ul style="list-style-type: none">  Supply File <hr/> <ul style="list-style-type: none">  Scaffold for describing movements in demand and supplyFile  MArket equilibriumFile <hr/> <ul style="list-style-type: none">  Demand and Supply 1File  Supply 2File <p>http://www.watchtime.com/wristwatch-industry-news/watches/eleven-years-in-the-making-greubel-forseys-first-grande-sonnerie/?utm_source=WatchTime+Daily+Update&utm_campaign=c044243050-WT+Daily&utm_medium=email&utm_term=0_8338768216-c044243050-14706233&mc_cid=c044243050&mc_eid=a683c4bd5d</p> <hr/> <p>http://www.core-econ.org/wp-content/uploads/2016/09/Market_Experiment.pdf</p>

expected future prices,
number of suppliers,
technology

- movements along the supply curve and shifts of the supply curve

Market price

- market equilibrium – using diagrams
- movement to equilibrium
- effects of changes in supply and/or demand on equilibrium market price and quantity through the use of diagrams
- effects of changing levels of competition and market power on price and output
- Alternatives to market solutions – the role of government
 - ceiling prices, floor prices
 - market failure – merit goods, public goods, externalities
- Price elasticity of demand
 - significance of price elasticity of demand – market research
 - price elasticity – elastic, inelastic and unit elastic – calculation of elasticity using total outlay method
 - factors affecting elasticity of demand
 - necessities and luxuries

-  Market equilibrium 3File
-  Market equilibrium 4File
-  Market equilibrium activityFile
-  Supply elasticityFile
-  Public goods, Merit GoodsFile
-  Essay scaffold-SupplyFile
-  market failureFile
-  revision marketsFile
-  syllabus summary(cheat sheets)-topic 3 marketsFile
-  Past HSC questions on tariffs and subsidiesFile
-  Government Intervention in the market-ProtectionFile

<https://www.youtube.com/watch?v=p9gMZRCc36o>

<https://www.econedlink.org/tool/362/Silver-Market-Lesson-Demo> How a competitive market operates

<ul style="list-style-type: none">- existence of close substitutes- proportion of income spent on the good- the length of time since a price change <p>Price elasticity of supply</p> <ul style="list-style-type: none">• elastic supply, inelastic supply• factors affecting elasticity of supply (no calculations required) <p>Variations in competition - Market structures</p> <ul style="list-style-type: none">• pure competition• monopolistic competition• oligopoly• monopoly. (Diagrams using revenue and costs for market models not required.)		
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Teacher Signature:

Head Teacher Signature:

