

Next Generation Higher National Unit Specification

Economics B: Economic Systems, Markets and Objectives (SCQF level 7)

Unit code: J72M 47
SCQF level: 7 (16 SCQF credit points)
Valid from: session 2024–25

Prototype unit specification for use in pilot delivery only (version 2.0) August 2024

This unit specification provides detailed information about the unit to ensure consistent and transparent assessment year on year.

This unit specification is for teachers and lecturers and contains all the mandatory information required to deliver and assess the unit.

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Unit purpose

This unit develops learners' knowledge of economic theory and skills in applying that knowledge to practical examples.

The unit is aimed at learners who want to develop their knowledge and understanding of economics, as well as those who want to use it as a basis for further study.

Entry to the unit is at your centre's discretion. However, we recommend that learners have one or more of the following:

- ◆ good communication skills
- ◆ previous study of economics, for example National Qualifications at SCQF levels 5 or 6, or other similar qualifications
- ◆ other knowledge, skills and experience relevant to the unit

This unit works well alongside Economics A: The Nature of Economic Study.

Learners normally study the unit as part of HNC Social Sciences. They can also study it on a stand-alone basis.

If learners study the unit as part of HNC Social Sciences, they may be able to progress to HND Social Sciences or a degree programme in a related subject.

Unit outcomes

Learners who complete this unit can:

- 1 explain resource allocation in different economic systems
- 2 apply economic concepts to the operation of the market
- 3 explain the causes, cures and consequences associated with macroeconomic objectives

Evidence requirements

Learners should provide written or oral evidence covering all unit outcomes, produced under open-book conditions. You should give the task at an appropriate point in the unit. Learners should submit their work for marking on a date that you have provided or agreed with them.

Written responses must be approximately 2,500 words, and oral responses must be 15 to 18 minutes in duration.

Learners' responses must explain:

- ◆ the features of a market, command or mixed market economic system
- ◆ how the fundamental choices of what, how and for whom are made in a market, command or mixed market economic system
- ◆ at least one determinant of demand and supply
- ◆ market operations in one market when there is a change in one of the determinants of supply and a change in one of the determinants of demand, using diagrams
- ◆ how a market in disequilibrium returns to an equilibrium position
- ◆ one type of elasticity and one of its applications
- ◆ one macroeconomic objective
- ◆ two causes of one macroeconomic objective
- ◆ two cures of one macroeconomic objective
- ◆ four consequences of one macroeconomic objective on two economic agents
- ◆ a problem of reconciling two macroeconomic objectives

You can choose to use a mix of assessment methods across a group, depending on what is most suitable for each learner; for example, some could give a written response and others could give an oral response.

Learners must fully reference their assessment, using reliable sources appropriate for SCQF level 7. They must list all sources in a bibliography or reference list, in a recognised standard format such as Harvard or APA.

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The SCQF level of this unit provides additional context relating to the quality of evidence.
Learners should:

- ◆ contribute information that is complex, accurate and relevant to its purpose and audience
- ◆ present ideas clearly and coherently
- ◆ use a structure that is appropriate to the purpose
- ◆ provide supporting evidence or references

Knowledge and skills

The following table shows the knowledge and skills covered by the unit outcomes:

Knowledge	Skills
<p>Outcome 1 Learners should understand:</p> <ul style="list-style-type: none"> ◆ the features of market, command and mixed market economic systems ◆ how the fundamental choices are made in market, command and mixed market economic systems 	<p>Outcome 1 Learners can:</p> <ul style="list-style-type: none"> ◆ explain the features of different economic systems and how the fundamental choices are determined in each
<p>Outcome 2 Learners should understand:</p> <ul style="list-style-type: none"> ◆ determinants of demand and supply ◆ demand and supply curves, movements along and shifts of curves, market equilibrium, and returning to an equilibrium position ◆ price elasticity of demand, supply and income elasticity of demand ◆ applications of elasticity concepts to producers and governments 	<p>Outcome 2 Learners can:</p> <ul style="list-style-type: none"> ◆ explain the determinants of demand and supply and consequences of changes ◆ explain market equilibrium and the process of returning to an equilibrium position from disequilibrium ◆ explain the concept of elasticity and its application
<p>Outcome 3 Learners should understand:</p> <ul style="list-style-type: none"> ◆ macroeconomic objectives, and their causes and potential cures ◆ the impact of macroeconomic objectives on economic agents ◆ problems of reconciling macroeconomic objectives 	<p>Outcome 3 Learners can:</p> <ul style="list-style-type: none"> ◆ explain macroeconomic objectives, and their causes and consequences on economic agents ◆ explain the connections between macroeconomic objectives and the conflicting impacts of potential cures

Meta-skills

Throughout this unit, learners develop meta-skills to enhance their employability in the social sciences sector.

The unit helps learners develop the meta-skills of self-management, social intelligence and innovation. Learners should develop meta-skills naturally throughout the unit. You should encourage learners to develop a minimum of one area in each of the three categories, but they do not need to cover all suggested subsections. The following suggestions may help shape delivery and assessment, and vary depending on the chosen topics and assessment method.

Self-management

This meta-skill includes:

- ◆ focusing: developing self-discipline and focus when studying economic topics; processing, understanding, filtering and sorting knowledge to complete the unit assessment task by a clear deadline
- ◆ adapting: acquiring new knowledge and skills; using different technologies to communicate and complete assessments; using a virtual learning environment (VLE); reflecting on own performance; studying new concepts and ideas; reflecting on and adapting views and perspectives
- ◆ initiative: thinking, planning and considering different approaches to learning about economic concepts, theories and ideas; seeking relevant information from a variety of sources; making decisions about which types of elasticity and macroeconomic objectives to include in the assessment evidence

Social intelligence

This meta-skill includes:

- ◆ communicating: listening to, reading about and discussing economic theories and concepts gained from a variety of sources; sharing information, opinions and views about economic concepts with peers; producing appropriate assessment responses; sharing written or oral ideas and opinions on theories and topics
- ◆ feeling: sharing and discussing opinions, values and perspectives about different economic concepts, theories and ideas; developing understanding, empathy and respect for other viewpoints in discussions
- ◆ collaborating: working together to research and discuss economic concepts, theories and practical applications; taking account of others in planning and carrying out tasks to help build and establish collaborative relationships

Innovation

This meta-skill includes:

- ◆ curiosity: seeking knowledge of economic concepts, theories and practical applications; seeking information from different sources; discussing and sharing findings with others; questioning peers' views, opinions and perspectives
- ◆ sense-making: participating in class discussions and group activities, respectfully considering the views, opinions and perspectives of others; encouraging synthesis and analysis of information; developing a stance on economic concepts, theories and policies
- ◆ critical thinking: making logical connections and reasoned judgements through discussion, debate and drawing conclusions based on evidence; discussing economic concepts, theories and practical applications; making constructive comments based on research and resulting perspectives

Learners could also develop other meta-skills in the unit, depending on the learning and teaching activities you carry out. These include:

- ◆ self-management: integrity
- ◆ social intelligence: leading
- ◆ innovation: creativity

Literacies

Learners develop core skills in the following literacies:

Numeracy

Learners develop numeracy skills by understanding facts and statistics related to data. They can study, appraise and interpret numerical data relating to prices, quantities, employment, trade balances and economic growth.

Communication

Learners develop communication skills in formative and summative assessment. It is part of the evidence requirements for the unit to ensure learners convey complex ideas in a well-structured and coherent way, with academic references where appropriate. You can give learners opportunities to carry out oral presentations and engage in discussions.

Digital

Learners develop digital skills and computer literacy by using digital packages to produce assessments, and internet sources to research information on economic theories, concepts and policies. You should offer guidance on appropriate sources. In your delivery, you could incorporate digital presentations, online research tasks, word-processed documents for written tasks, digital statistical packages or spreadsheets for calculations, or other enhancement activities that can be done online. Using a VLE also supports digital skills.

Learning for Sustainability

Learning for Sustainability aims to build the values, attitudes, knowledge, skills and confidence needed to develop practices and make decisions that are compatible with a sustainable and equitable society. In this unit, there are opportunities to develop knowledge and understanding of social sustainability while studying economic systems, the operation of markets and related policies, such as agricultural policy or environmental policy, that link to [the UN Sustainable Development Goals](#).

This unit fits with the following UN Sustainable Development Goals:

- 8 Decent work and economic growth: through understanding how unemployment and inflation can impact sustainable economic growth
- 10 Reduced inequalities: through understanding how economic policy can support the reduction in income inequality within and among countries
- 12 Responsible consumption and production: through explaining resource allocation in different economic systems

Delivery of unit

This unit is in the 'named social sciences' section of HNC Social Sciences. You can deliver it as part of the group award or as a stand-alone unit.

It is one of two Economics units within HNC Social Sciences. This unit works well alongside Economics A: The Nature of Economic Study.

The overall unit delivery time is a notional 80 hours of contact time for delivery and assessment. We expect learners to commit a further 80 hours of self-directed study.

The amount of time you allocate to each outcome is at your discretion. We suggest the following distribution of time, including assessment:

Outcome 1 — Explain resource allocation in different economic systems (25 hours).

Outcome 2 — Apply economic concepts to the operation of the market (25 hours).

Outcome 3 — Explain the causes, cures and consequences associated with macroeconomic objectives (30 hours).

Additional guidance

The guidance in this section is not mandatory.

Content and context for this unit

This unit follows on from Economics A: The Nature of Economic Study, aiming to provide an interesting and engaging next step in the study of economics. The unit provides an overview of how resources are allocated in different economic systems and the economic concepts that underpin the operation of markets. It concludes with an introduction to the key macroeconomic objectives, and their interrelationships, causes, impacts and potential cures.

Explain resource allocation in different economic systems (outcome 1)

Learners explore the basic economic problem and the choices it leads to, examining how different economic systems respond to scarcity. Learners link the theoretical aspects of economic systems to actual economic systems, and consider different perspectives in economics by exploring political economic thinking behind the different types of economic systems. You can link this to key ideas of economists studied in Economics A: The Nature of Economic Study.

Apply economic concepts to the operation of the market (outcome 2)

Learners examine the market mechanism by studying the basic economic concepts that explain market operations. You should encourage learners to make connections between economic theory and the operation of markets in the real world, through studying and discussing practical examples of the operation of markets. Your teaching input may include reference to inferior goods, goods of ostentation, income and substitution effects. Where possible, encourage learners to make links to the work of economists such as Adam Smith (invisible hand) and Thorstein Veblen (goods of ostentation) studied in Economics A: The Nature of Economic Study. Introduce learners to the economic concept of elasticity, including definitions, determinants and applications. While the theory is important, you should emphasise the application to show that economics is not just theoretical in nature. You could relate the concept of elasticity to the rationale, formulation and implementation of agricultural policy, taxation policy and industrial policy.

Explain the causes, cures and consequences associated with macroeconomic objectives (outcome 3)

You should introduce learners to and ask them to explore the macroeconomic objectives of unemployment, inflation, economic growth and balance of payments on the current account. Learners focus on one macroeconomic objective in the assessment for the unit, but you must teach them about more than one so that they appreciate the broader economic picture and understand the complex interrelationship between the objectives. Learners also study and discuss the impact of the objectives and potential remedies that might be employed. They consider differing schools of economic thought, and although classical or neo-classical and/or Keynesian or neo-Keynesian theory are likely to be the approaches studied, there is flexibility within the unit to consider other schools. You can make links to teaching in other parts of the HNC framework; for example, if Marxism is being covered in Sociology, you could outline the main features of Marxist theory in relation to the objectives.

Approaches to delivery

You should structure the learning and teaching programme to allow time for learners to develop meta-skills, and academic and other transferable skills. You should also allow for assessment practice within the notional hours suggested.

You can shape delivery and assessment to support learners to develop their academic skills such as time management, multi-tasking ability, digital skills, essay writing skills and questioning ability. You can design formative and summative activities and assessments that encourage learners to practise the skills they need to progress to the next level of study.

Learners can benefit from a varied and active learning approach, where they engage in supported, independent and collaborative learning. You should encourage learners to take a participative and practical approach. Delivery methods could include:

- ◆ demonstration
- ◆ tutorial question and answer sessions
- ◆ debate
- ◆ individual and group research tasks
- ◆ presenting findings
- ◆ VLE
- ◆ digital tools and social media
- ◆ film and visual images
- ◆ close reading of sources

It would be useful for learners to have access to a laptop or other digital device.

You should deliver the unit in a learner-centred manner and always encourage a questioning approach. In doing so, you engage learners and encourage them to think like social scientists and be analytical and enquiring, rather than passively accepting facts. Developing essential transferable skills also helps learners access further study and employment.

The unit stresses that economics is a social science. Throughout delivery, you should give learners opportunities to make links between economic theory and society so that they learn about the practical application of theories. In terms of subject matter, learners can make connections with other social science subjects such as politics, sociology, history and geography.

You should encourage learners to develop an enquiring mind. Introduce primary and secondary sources, highlighting different explanations and interpretations of a topic so that learners can develop their analytical and evaluative skills.

The section on meta-skills provides further guidance on incorporating different skills into delivery and evidence.

Approaches to assessment

You can generate evidence using different types of assessment. The following are suggestions only. There may be other methods that would be more suitable for learners.

Learners can choose to submit their assessment evidence in any format that meets each outcome. We recommend that you assess the unit holistically, as that is best to reduce the learners' assessment burden. You can decide to use a portfolio approach with two or more assessment tasks issued at different times in the unit delivery, if that is better for your learners.

The assessment could take the form of an open-book essay question or a set of structured questions. Learners must provide a response of approximately 2,500 words, or an individual oral presentation or poster exhibition of 15 to 18 minutes in duration, or any other method that appropriately meets the evidence requirements.

You can choose to use a mix of methods across a group, as it may be more suitable for some learners to give a written response and for others to use an oral method. Whichever method learners choose, they must be able to access notes, textbooks and other materials, as it is an open-book assessment.

If learners choose an oral method, we recommend that you record this in some form or provide assessor notes on the presentation for external verification purposes. Learners must show evidence of meeting all evidence requirements. Ideally, they would complete oral presentations or poster exhibitions individually. If a group presentation is used, individual learners must show coverage of all evidence requirements. To do this, they may need to provide an essay or additional responses to structured questions. Learners should submit their work for marking on a date that you have provided or agreed with them.

Learners can combine a poster exhibition with an oral presentation. For example, a learner could produce a detailed poster of basic economic concepts and macroeconomic objectives and cover the explanations and other evidence requirements in an oral presentation. In this case, the total time across both outcomes and all evidence requirements would be 15 to 18 minutes. So, the learner would spend 15 to 18 minutes orally presenting the poster content.

You should make learners aware of the importance of good judgement in selecting appropriate academic sources. You should encourage them to choose academic sources rather than generic search engines, to enable them to be more confident of information and better equipped to progress to SCQF level 8 units.

If learners are creating a blog or website for their assessment, it should not be in the public domain. Rather, it should be on an intranet or private area of your VLE to reduce the likelihood of plagiarism.

Authenticating learners' work is essential. You could collect notes or visual presentation materials from learners as further evidence of meeting SCQF level 7. You should monitor learners' progress throughout to authenticate submitted work. Where possible, you should use plagiarism detection software.

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It is important that learners' responses to the assessment are at SCQF level 7.

Opportunities for e-assessment

Assessment that is supported by information and communication technology (ICT), such as e-testing or the use of e-portfolios or social software, may be appropriate for some assessments in this unit.

If your centre wants to use e-assessment, you must ensure that you apply the national standard to all evidence and that conditions of assessment (as specified in the evidence requirements) are met, regardless of the mode of gathering evidence.

Equality and inclusion

This unit is designed to be as fair and as accessible as possible with no unnecessary barriers to learning or assessment.

You should take into account the needs of individual learners when planning learning experiences, selecting assessment methods or considering alternative evidence.

Guidance on assessment arrangements for disabled learners and/or those with additional support needs is available on the assessment arrangements web page:

www.sqa.org.uk/assessmentarrangements.

Information for learners

Economics B: Economic Systems, Markets and Objectives (SCQF level 7)

This information explains:

- ◆ what the unit is about
- ◆ what you should know or be able to do before you start
- ◆ what you need to do during the unit
- ◆ opportunities for further learning and employment

Unit information

This unit introduces you to economic concepts and theories that build on those in Economics A: The Nature of Economic Study. Throughout the unit, you make links between theory and its practical, real-world application.

Before you start the unit, you should have good communication skills and an interest in economics. It would also be helpful to have some basic digital skills.

During the unit, you learn about different economic systems and approaches to resource allocation, the operation of markets and the intricacies of macroeconomic objectives.

On completing the unit, you are able to:

- 1 explain resource allocation in different economic systems
- 2 apply economic concepts to the operation of the market
- 3 explain the causes, cures and consequences associated with macroeconomic objectives

You are assessed using an open-book assessment covering all three unit outcomes. This means that you have access to materials such as textbooks, notes and your VLE. You can give your assessment response in writing or orally. If your assessment response is written, it must be approximately 2,500 words, and if it is oral, it must be between 15 and 18 minutes long.

During the unit, you develop academic skills such as time management, multi-tasking ability, digital skills, essay writing skills and questioning ability.

You also develop key literacies such as communication. You learn to convey complex ideas in a well-structured and coherent way, with references where appropriate. Your lecturer may also use oral presentations and discussions to help you improve your communication skills. You develop digital skills and computer literacy by using digital packages to complete assessments, and internet sources to research information on different economic systems, market operations and macroeconomic issues.

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The unit introduces you to Learning for Sustainability ideas, with links made to UN Sustainable Development Goals, particularly while studying resource allocation in different economic systems and macroeconomic issues.

The unit can support learning in other related units, such as Economics A: The Nature of Economic Study. You can go on to study HND Social Sciences or a degree programme in a related subject if you study the unit as part of HNC Social Sciences.

Meta-skills

Throughout the unit, you develop meta-skills to enhance your employability in the social sciences sector.

Meta-skills include self-management, social intelligence and innovation.

You develop these naturally as you take part in the learning and teaching activities and produce assessment responses. Improving meta-skills such as organising your time (self-management) and communicating ideas clearly (social intelligence) is useful for current and future study, and employment.

Administrative information

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Superclass: EB

History of changes

Version	Description of change	Date
2.0	<ul style="list-style-type: none">◆ Removed reference to the requirement to use holistic assessment in 'Evidence requirements', and in 'Information for learners'.◆ In 'Approaches to assessment' additional words that a holistic or portfolio approach can be used were added. Also, additional information allowing group presentations was included.	May 2024

Note: please check [SQA's website](#) to ensure you are using the most up-to-date version of this document.