Revision checklists

you need to know, just an overview. For more detail see the syllabus and talk to your teacher. In the next part of this guide we have provided some revision checklists. These include information from the syllabus that you should revise. They don't contain all the detailed knowledge

The table headings are explained below:

Topic	You should be able to	₽	Α	G	Advice
These are the topics in the	This is what you should be able to do or know for each part of the syllabus You can use the tick boxes to show when you have revised an item and how confident you feel about it.	You can use the tick boxes to show when you an item and how confident you feel about it.	boxes to show whe	n you have revised ut it.	Here is some extra advice to help you with your revision.
syllabus	Detailed points about the content of the syllabus	${\sf R}=\mbox{\sf RED}$ means you are really unsure and lack confidence you might want to focus your revision here and possibly talk to your teacher for help		really unsure and lack confidence; s your revision here and possibly help	
		A = AMBER means you are reasonably confident but need some extra practice	ou are reasonably c	onfident but need	
		G = GREEN means you are very confident.	ou are very confider	nt.	
		As your revision progresses, you can concentrate on the RED and AMBER items in order to turn them into GREEN	As your revision progresses, you can concentrate on the RED and AMBER items in order to turn them into GREEN	icentrate on the hem into GREEN	
		items. You might find it helpful to highlighed, orange or green to help you prioritise.	าd it helpful to highli า to help you prioriti:	helpful to highlight each topic in help you prioritise.	

Note: the tables below cannot contain absolutely everything you need to know, but it does use examples wherever it can.

Topic 1: The basic economic problem

		同		 analyse the causes and consequences of movements along and shifts in PPCs 	
0.000				 explain the significance of different points on a PPC 	
opportunity cost, scarcity, choice, efficiency				 draw and interpret a PPC 	diagrams (PPC)
Make sure you draw a PPC to the axes. PPC diagrams can be used to illustrate				define a PPC	1.4 Production possibility curve
decisions.				 evaluate the role of opportunity cost in decisions made by consumers, workers, producers and governments when allocating their resources 	
Opportunity cost is an important economic concepts and can be applied to a wide range of				 give examples of opportunity cost in different contexts 	
When defining opportunity cost, it is useful to give an example.				 define opportunity cost 	1.3 Opportunity cost
				 evaluate the causes of changes in the quantity and quality of factors of production 	
mobility.				 evaluate the influences on the mobility of the factors of production 	
includes all natural resources. Consider both occupational and geographical				 explain the characteristics of the factors of production 	
Land is the factor of production candidates often get confused about. Remember it				 define land, labour, capital and enterprise 	1.2 The factors of production
cost to distinguish between economic and free goods.				 explain the difference between economic and free goods 	
the government.				 analyse examples of the economic problem 	
Find examples of the economic problem in the context of consumers, workers, producers and				• define the economic problem	1.1 The nature of the economic problem
Advice	G	>	æ	You should be able to	Topic

Topic 2: The allocation of resources

				 interpret demand and supply schedules and curves to identify shortages and surpluses 	
when price is above equilibrium.				 draw demand and supply diagrams to illustrate equilibrium and disequilibrium prices 	
Remember that shortages arise when price is below equilibrium whereas surpluses arise				 analyse how the interaction of demand and supply determine equilibrium price 	2.5 Price determination
				 analyse the causes of shifts in supply curves and draw diagrams to illustrate the shifts 	
				 explain how individual supply is totalled to give market supply 	
up from left to right.				 draw a supply curve and explain movements along a supply curve 	
Remember that while a demand curve slopes down from left to right, a supply curve slopes				• define supply	2.4 Supply
demand other than a change in the price of the product.				 analyse the causes of shifts in demand curves and draw diagrams to illustrate the shifts 	
Remember that increases and decreases in demand can be caused by any influence on				 explain how individual demand is totalled to give market demand 	
increases and decreases in demand to describe shifts in demand.				 draw a demand curve and explain movements along a demand curve. 	
Use the terms extensions and contractions to describe movements along a demand curve and				• define demand	2.3 Demand
				 analyse the role of the price mechanism in a market system 	
				 explain the three economic questions 	
disequilibrium to equilibrium.				 distinguish between market equilibrium and market disequilibrium 	resources
Demand and supply diagrams can be useful to explain how a market can move from				 analyse how resources are allocated in a market economy 	2.2 The role of markets in allocating
Section 1 is largely microeconomics, Sections 2 and 3 are microeconomics and Sections 4, 5 and 6 are macroeconomics.				 explain the difference between microeconomics and macroeconomics and the decision makers involved in each case 	and macroeconomics.
Advice	ດ	>	æ	You should be able to	Topic

				 analyse the key influences on whether supply is elastic or inelastic 	
				 draw and interpret supply curve diagrams to show different PES 	
				 interpret PES figures, recognising the difference between perfectly elastic supply, elastic supply, unit supply elasticity, inelastic supply and perfectly inelastic supply 	
				 calculate PES using the formula % change in quantity supplied divided by percentage change in price 	
Be careful not to confuse PED and PES.				define PES	2.8 Price elasticity of supply (PES)
				 evaluate the implications of PED for decision making by consumers, producers and government 	
				 analyse the relationship between PED and total spending on a product/revenue both in a diagram and as a calculation 	
				 evaluate the key influences on whether demand is elastic or inelastic 	
				 draw and interpret demand curve diagrams to show different PED 	
demand but if the change in price is smaller in % terms, demand is elastic.				 interpret PED figures, recognising the difference between perfectly elastic demand, elastic demand, unit demand elasticity, inelastic demand and perfectly inelastic demand 	
Remember the importance of % changes in calculating and interpreting PED. For instance, a price change may cause a small change in				 calculate PED using the formula % change in quantity demanded divided by the % change in price 	2.7 Price elasticity of demand (PED)
				 use demand and supply diagrams to illustrate the causes and effects of price changes 	
will cause a rise in price. The higher price will cause supply to extend.				 evaluate the effects of changes in demand and supply on equilibrium price and the quantity bought and sold 	
Be careful with the order of changes in market conditions. For instance, an increase in demand				• analyse the causes of price changes	2.6 Price changes
Advice	ດ	A	쿈	You should be able to	Topic

				2.11 Mixed economic system				2.10 Market failure		2.9 Market economic system		Торіс
• evaluate the effects of subsidies	• evaluate the effects of indirect taxes	 evaluate maximum and minimum prices in product, labour and foreign exchange markets 	 define regulation, privatisation, nationalisation and direct provision of goods 	• define a mixed economic system	• evaluate the consequences of market failure	 analyse the causes of market failure with respect to public goods, merit and demerit goods, external costs and benefits, abuse of monopoly power and factor immobility 	 define a public good, a merit good, a demerit good, social benefits, external benefits, private benefits, social costs, external costs and private costs 	• define market failure	 evaluate the advantages and disadvantages of the market economic system 	• define market economic system	 evaluate the implications of PES for decision making by consumers, producers and government 	You should be able to
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		indirect taxes and subsidies.	Use demand and supply diagrams to analyse	It is useful to compare market and mixed economic systems.		restricted supply. Factor immobility can cause shortages and surpluses.	and the underconsumption of merit goods and goods with external benefits. If left to market forces, public goods would not be produced.	Market failure results in the overconsumption of demerit goods and goods with external costs		Remember the key role of the price mechanism in a market economy.		Advice

Topic 3: Microeconomic decision makers

bargaining on wages, working hours and working conditions, protecting employment and influencing government policy analyse the factors influencing the strength of trade unions evaluate the advantages and disadvantages of trade union activity from the viewpoint of workers, firms and the government
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					objectives	3.7 Firms' costs, revenue and					production	3.6 Firms and									O F Firms	Topic
 calculate total revenue and average revenue 	 define total revenue and average revenue 	 draw and interpret diagrams that show how changes in output affect costs of production 		 calculate total cost, average total cost, fixed cost, variable cost, average fixed cost and average variable cost 		 define total cost, average total cost, fixed cost, variable cost, average fixed cost and average variable cost 	 explain the difference between and influences on production and productivity 	and their advantages and disadvantages	 evaluate the reasons for adopting labour-intensive and capital-intensive production 	productivity		 evaluate the influences on demand for factors of production including demand for 	 evaluate how internal and external economies and diseconomies of scale can affect a firm/industry as the scale of production changes 	 evaluate the advantages and disadvantages of different types of mergers: horizontal, vertical and conglomerate 	aliary se the capses and forms of the Slower of Hills	analyse the courses and forms of the growth of firms	existence	 evaluate the advantages and disadvantages of small firms and reasons for their 		 classify firms in terms of primary/secondary/tertiary sectors, private/public sector and the relative size 		You should be able to
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		conflict.	objectives	affect profit.	Think abo	Compare how diffichanges in output.				rise while	productiv	Candidate			industries	diseconor	Relate int	mergers fi	Find exam	small and	Ц	G
			objectives and whether these objectives will	fit.	Think about how changes in revenue and costs	Compare how different costs are affected by changes in output.				rise while productivity falls.	productivity. Be sure that you are clear on the	Candidates regularly confuse production and			<i>-</i>	diseconomies of scale to particular firms and	Relate internal and external economies and	mergers from your own country.	Find examples of small firms. large firms and	small and large firms.	the adventage and disadventage of	Advice

		3.8 Market structure			Topic
 evaluate the advantages and disadvantages of monopoly 	 analyse the characteristics of monopoly 	 evaluate the effect of a high number of firms on price, quality, choice and profit 	 evaluate the objectives of firms including survival, social welfare, profit maximisation and growth 	 analyse the influence of sales on revenue 	You should be able to
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	consumers, producers and the economy.	Compare the advantages and disadvantages of competitive markets and monopoly markets for			Advice

Topic 4: Government and the macroeconomy

analyse the reasons for levying taxation deficing taxation	 analyse the main areas of government spending and the reasons for and effects of spending in these areas 	4.3 Fiscal policy • define the budget	evaluate possible conflicts between macroeconomic aims	 evaluate the reasons behind the choice of aims and the criteria that governments set for each aim 	 4.2 The explain the macroeconomic aims of government in terms of economic growth, full and are of government employment/low inflation, stable prices/low inflation, balance of payments stability these 	analyse the role of government locally, nationally and internationally	
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deficit or a budget surplus.	regressive. Find out if your government has a budget	Remember it is the percentage of income paid and not the total amount paid that determines			Find out what are the aims of your government and assess how successful it is in achieving these aims.	Find out information about the role of government in your local area.	Advice

		4.5 Supply-side policy				4.4 Monetary policy							Topic
 evaluate the effects of supply-side policy measures on government macroeconomic aims 	reforms, lower direct taxes, deregulation, improving incentives to work and invest and privatisation		 evaluate the effects of monetary policy measures on government macroeconomic aims 	 analyse the effects of changes in interest rates, the money supply and foreign exchange rates 	define monetary policy	• define the money supply	 evaluate the effects of fiscal policy measures on government macroeconomic aims 	analyse fiscal policy measures	• define fiscal policy	 evaluate the impact of taxation on consumers, producers, government and the economy as a whole 	• explain the qualities of a good tax	 explain the different classifications of tax: progressive, regressive, proportional and direct and indirect 	You should be able to
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particular case, decide whether the government is using with the intention of increasing total demand or total supply.	There are some policy measures which may be a fiscal policy or a supply-side measure e.g. education. In deciding which it is in the	While fiscal and monetary policy may be used to increase or reduce total demand, supply-side policy is only used to increase total supply.			reduce investment.	Remember that while a rise in the rate of interest is likely to increase saving, it is likely to				_			Advice

							4.7 Employment and unemployment								4.6 Economic growth	Topic
 evaluate the effectiveness of different policy measures to reduce unemployment 	 analyse the range of policies available to reduce unemployment 	 evaluate the consequences of unemployment for the individual, firms and the economy as a whole 	 evaluate the causes/types of unemployment – frictional, structural and cyclical unemployment 	 use the formula for the unemployment rate 	 evaluate the claimant count and labour force survey measures of unemployment 	 evaluate the nature and causes of changes in the pattern of employment 	 define employment, unemployment and full employment 	• evaluate the effectiveness of different policy measures to promote economic growth	 analyse the range of policies available to promote economic growth 	 evaluate the consequences of economic growth 	 evaluate the causes of economic growth including increases in total demand and changes in investment, technology and the quantity and quality of the factors of production 	 evaluate the causes and consequences of a recession 	 distinguish between GDP and GDP per head 	 explain how economic growth can be measured 	• define economic growth	You should be able to
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			changed in your country in recent years.	Consider how the pattern of employment has	unemployment, it is useful to apply the concept of opportunity concept.	enter the labour force. In evaluating the consequences of	Remember it is possible for both employment and unemployment to rise, if more people					produced, how they are made and who receives them can be taken into account.	In considering the consequences of economic growth, policy conflicts, the type of products	and caused by increases in an economy's ability to produce more goods and services.	PPC diagrams can be used to analyse economic growth caused by increases in total demand	Advice

						4.8 Inflation and deflation	Topic
deflation	evaluate the effectiveness of different policy measures to control inflation and	 analyse the range of policies available to control inflation and deflation 	 evaluate the causes of inflation and deflation for consumers, workers, savers, lenders, firms and the economy as a whole 	 analyse the measurement of inflation and deflation using the Consumer Prices Index 	define deflation	• define inflation	You should be able to
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					rising but rising more slowly.	Remember that a reduction in the inflation rate from e.g. 6% to 4% means that prices are still	Advice

Topic 5: Economic development

			5.2 Poverty					5.1 Living standards	Topic
 evaluate policies to alleviate poverty and redistribute income 	 evaluate the causes of poverty including unemployment, low wages, illness and age 	 distinguish between absolute and relative poverty 	 define absolute and relative poverty 	 evaluate the reasons for differences in living standards and income distribution within and between countries 	evaluate the advantages and disadvantages of reat GDP per nead and HDI as indicators of living standards	 analyse the components of the Human Development Index 	• calculate real GDP per head	 explain real GDP and real GDP per head 	You should be able to
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			Explore how the level of poverty has changed in your country in recent years.				out the reasons for the differences.	Compare your country's real GDP per head and HDI with three other countries and try to find	Advice

Topic	You should be able to	R	A	ດ	Advice
5.3 Population	 define birth rate, death rate, net migration, immigration and emigration 				In considering the effects of a change in population size, it is important to consider the
	 analyse the factors that affect population growth 				cause of the change.
	 evaluate the reasons for different rates of population growth in different countries 				
	interpret population pyramids				
	 explain the concept of optimum population 				
	 evaluate the effects of changes in the size and structure of population in different countries 				
5.4 Differences in economic development	 evaluate the causes and impacts of differences in economic development between countries 				Remember that economic development is wider than economic growth.
between countries					

Topic 6: International trade and globalisation

Topic 6.3 Foreign exchange rates	evaluate the reasons for protection including infant industry, declining industry, strategic industry and avoidance of dumping evaluate the effectiveness of protection and its impact on the home country and its trading partners define floating and fixed exchange rate systems analyse how the foreign exchange rate is determined in the foreign exchange marke analyse the causes of changes in foreign exchange rates including changes in deman for exports and imports, changes in the rate of interest, speculation and the entry and the e
gn exchange	define floating and fixed exchange rate systems analyse how the foreign exchange market analyse the causes of changes in foreign exchange rate is determined in the foreign exchange market for exports and imports, changes in the rate of interest, speculation and the entry and departure of MNCs
	evaluate the consequences of foreign exchange rate fluctuations on export and import prices and spending on exports and imports making use of PED
	evaluate the advantages and disadvantages of a floating foreign exchange rate and a fixed exchange rate system
6.4 Current account balance of payments	describe the components of the current account of the balance of payments – trade in goods, trade in services, primary income and secondary income
	calculate deficits and surpluses on the current account of balance of payments and its component sections
	analyse the causes of current account deficits and surpluses
	evaluate the consequences of current account deficits and surpluses including the impact they have on GDP, employment, inflation and the foreign exchange market
	evaluate the effectiveness of policy measures available to achieve balance of payments stability

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Section 7: Useful websites

The websites listed below are useful resources to help you study for your Cambridge IGCSE Economics course.

URL	Description of the site and what it's useful for
www.bankofengland.co.uk	This site is useful for information concerning monetary policy, such as decisions about interest rates. The Bank of England will focus on UK, but each central bank in the world is likely to have its own site. You will need to find out what is the website for the central bank of your country. The website of the Reserve bank of India is: https://www.rbi.org.in/
www.bbc.co.uk	This is the website of the BBC. It has a wide range of economics news stories on countries throughout the world.
www.cia.gov/library/publications/the-world-factbook/	Entering the name of a country after the general address leads you to a considerable amount of information about the particular country. This includes, for instance, information on macroeconomic performance, birth rate, size of the labour force and population below the poverty line.
www.focus-economics.com/countries	This website gives economic data on more than 80 countries.
www.imf.org	This is the website of the International Monetary Fund. It provides economic information on almost every country.
www.s-cool.co.uk/a-leve;/economics	Designed for A Level students but it is accessible to IGCSE learners. It contains some useful revision information.
www.tutor2u.net	This website is designed for economics students and provides information on a range of economics topics and revision advice.
www.twnside,org.sg	This is the Third World Network's website and includes links to articles and information on development.
www.undp.org/content/undp/en/home/sustainable- development-goals.html	This website provides information on the 17 development goals adopted by the United Nations.
www.worldbank.org	This is a useful source of information about economic developments in various parts of the world.
www.wto.org/	This provides up to date information on trade negotiations and trade disputes.