

565 - BUSINESS STUDIES

GENERAL OBJECTIVES

This course will enable the learner to:

1. acquire necessary knowledge, skills and attitudes for the development of self and the nation;
2. understand business and its environment;
3. appreciate the role of business in society;
4. acquire necessary entrepreneurial knowledge, skills and attitude for starting and operating a business;
5. develop ability for inquiry, critical thinking and rational judgment;
6. appreciate the need for ethical practice and efficient business management;
7. acquire self-discipline and positive attitude towards work;
8. enhance co-operation and inter-relation in the society through trade;
9. understand the role of the government in relation to business activities;
10. appreciate the role of communication and information technology in modern business management;
11. develop positive environment and health practices;
12. have a firm foundation for further education and training;
13. appreciate the need for measuring business performance;
14. appreciate basic economic issues in society;
15. understand the role of auxiliary services in business;
16. appreciate the role of market forces in determining prices of goods.

1.0.0 INTRODUCTION TO BUSINESS STUDIES

1.1.0 Specific objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of business studies;
- b) explain the importance of business studies in society.

1.2.0 Content

- 1.2.1 Meaning of business studies
- 1.2.2 Importance of business studies in society

2.0.0 BUSINESS AND ITS ENVIRONMENT

2.1.0 Specific objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and purpose of a business;
- b) identify various business activities;
- c) identify various types of business environments;
- d) explain how the various business environments influence a business;
- e) recognise the need for maintaining a healthy business environment.

2.2.0 Content

- 2.2.1 Meaning and purpose of a business
- 2.2.2 Business activities
- 2.2.3 Business: Internal, External
- 2.2.4 Effects of various business environments on a business
- 2.2.5 Healthy business environments

3.0.0 SATISFACTION OF HUMAN WANTS

3.1.0 Specific objectives

At the end of the topic, the learner should be able to:

- a) explain the meaning and characteristics of human wants;
- b) classify human wants;
- c) explain the meaning of goods and services;
- d) discuss characteristics of goods and services;
- e) explain the meaning and characteristics of economic resources;
- 0 relate the concepts of scarcity, choice and opportunity cost to real life situations.

3.2.0 Content

- 3.2.1 Meaning and characteristics of human wants
- 3.2.2 Types of human wants
- 3.2.3 Meaning of goods and services
- 3.2.4 Characteristics of goods and services
- 3.2.5 Economic resources
- 3.2.6 Scarcity, choice and opportunity cost.

4.0.0 PRODUCTION

4.1.0 Specific objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of production;
- b) distinguish between the different types of utility;
- c) distinguish between direct and indirect production;
- d) describe the levels of production and occupations relating to each;
- e) Discuss the factors of production and the reward for each;
- f) Explain the role of division of labour in the production process;
- g) Discuss the factors that influence the mobility of factors of production;
- h) Classify goods and services produced in an economy.

4.0.0 Content

- 4.2.1 Meaning of production.
- 4.2.2 Types of utility
- 4.2.3 Direct and indirect production
- 4.2.4 Levels of production and related occupations
- 4.2.5 Factors of production as their rewards

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- 4.2.6 Division of labour
- 4.2.7 Factors that influence the mobility of factors of production
- 4.2.8 Classification of goods and services produced in an economy.

5.0.0 ENTREPRENEURSHIP

5.1.0 Specific objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of entrepreneurship;
- b) discuss the importance of entrepreneurship to an economy;
- c) describe the characteristics of an entrepreneur;
- d) generate business ideas;
- e) identify a business opportunity;
- f) evaluate a business opportunity;
- g) discuss the factors that may inhibit entrepreneurial development;
- h) discuss the causes of business failure.

5.2.0 Content

- 5.2.1 Meaning of entrepreneurship
- 5.2.2 Importance of entrepreneurship to an economy
- 5.2.3 Characteristics of an entrepreneur
- 5.2.4 Business ideas
- 5.2.5 Business opportunity
- 5.2.6 Evaluating a business opportunity
- 5.2.7 Factors that may inhibit entrepreneurial development
- 5.2.8 Business failure.

6.0.0 MANAGEMENT A BUSINESS

6.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of the term management;
- b) describe the function of management;
- c) explain how the various functions can be applied for the success of a business;
- d) recognize the need for ethical practices in business;
- e) explain the functions of various departments in a business organization;
- f) discuss the role of technology in business;
- g) discuss emerging issues and practices in management of business.

6.2.0 Content

- 6.2.1 Meaning of management
- 6.2.2 Functions of management: Planning, Organizing, Coordinating, Controlling, Staffing.
Note: Only elementary treatment of the functions
- 6.2.3 Role of management in success of a business

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- 6.2.4 Ethical issues in business
- 6.2.5 Department in an organization
- 6.2.6 Technology in business
- 6.2.7 Emerging issues and practices in the management of business.

7.0.0 THE OFFICE

7.1.0 Specific objectives

By the end of the topic, the learner should be able to:

- a) explain the concept of an office;
- b) explain the functions of an office;
- c) discuss the various office layouts;
- d) explain the uses of various office equipment;
- e) discuss the role of filing in an office;
- f) discuss the duties of various categories of office staff
- g) describe essential qualities of each category of office staff
- h) discuss trends in office management.

7.2.0 Content

- 7.2.1 Concept of an office
- 7.2.2 Functions of an office
- 7.2.3 Types of office layouts
- 7.2.4 Office equipment
- 7.2.5 Role of filing in an office
- 7.2.6 Duties of various office staff
- 7.2.7 Essential qualities of office staff
- 7.2.8 Trends in office management

8.0.0 HOME TRADE

8.1.0 Specific objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and importance of trade;
- b) classify trade;
- c) explain the forms of home trade;
- d) discuss the types and functions of retailers;
- e) discuss the types and functions of wholesalers;
- f) describe the documents used in home trade;
- g) describe the documents used in home trade and the circumstances under which they are used;
- h) Explain the terms of payment used in home trade and circumstances in which they are used.

8.2.0 Content

- 8.2.1 Meaning and importance of trade
- 8.2.2 Classification of trade
- 8.2.3 Forms of home trade

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- 8.2.4 Types and functions of retailers
- 8.2.5 Types and functions of wholesalers
- 8.2.6 Documents used in home trade
- 8.2.7 Means of payment in home trade
- 8.2.8 Terms of payment in home trade

9.0.0 FORMS OF BUSINESS UNITS

9.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) identify the various forms of business units;
- b) explain the characteristics of each form of business unit;
- c) discuss the formation and management of each form of business unit;
- d) discuss the sources of capital for each form of business unit;
- e) explain advantages and disadvantages of each form of business unit;
- f) recognize the circumstances under which the various forms of business units may be dissolved;
- g) Discuss trends in business ownership.

9.2.0 Content

- 9.2.1 Business units: Sole proprietorships, Partnerships, Co-operatives, Private companies, Public companies, Public corporations
- 9.2.2 Features of each form of business unit
- 9.2.3 Formation and management of each form of business unit
- 9.2.4 Sources of capital for each form of business unit
- 9.2.5 Advantages and disadvantages of each form of business unit
- 9.2.6 Dissolution of business units
- 9.2.7 Trends in business ownership e.g. Globalisation, Amalgamation mergers, Privatisation.

10.0.0 GOVERNMENT AND BUSINESS

10.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain reasons for government involvement in business;
- b) explain how the government gets involved in business;
- c) discuss the merits and demerits of government involvement in business activities;
- d) Discuss the importance of consumer protection.

10.2.0 Content

- 10.2.1 Government involvement in business
- 10.2.2 Methods of government involvement in business activities: Regulation, Training, Trade promotion, Provision of public utilities, Enabling environment.
- 10.2.3 Merits and demerits of Government involvement in business
- 10.2.4 Consumer protection: Need for consumer protection , Methods of consumer protection.

11.0.0 TRANSPORT

11.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and importance of transport to business;
- b) explain the essentials of transport;
- c) describe the modes and means of transport;
- d) discuss advantages and disadvantages of each means of transport;
- e) discuss the factors which influence choice of an appropriate means of transport;
- t) Discuss trends in transport.

11.2.0 Content

- 11.2.1 Transport
- 11.2.2 Essentials of transport
- 11.2.3 Modes and means of transport
- 11.2.4 Advantages and disadvantages of each means of transport
- 11.2.5 Choice of an appropriate means of transport
- 11.2.6 Trends in transport. Containerization, Pipeline

12.0.0 COMMUNICATION

12.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and importance of communication;
- b) describe the lines of communication;
- c) explain the essentials of effective communication;
- d) describe the various forms and means of communication;
- e) discuss the advantages and disadvantages of each means of communication;
- 0 discuss the factors that influence choice of an appropriate means of communication;
- g) identify' the barriers to effective communication;
- h) discuss services that facilitate communication;
- i) discuss trends in communication.

12.2.0 Content

- 12.2.1 Communication
- 12.2.2 Lines of communication: vertical/horizontal, formal and informal.
- 12.2.3 Essentials of effective communication
- 12.2.4 Forms and means of communication
- 12.2.5 Advantages and disadvantages of communication
- 12.2.6 Choice of an appropriate means of communication
- 12.2.7 Barriers to effective communication
- 12.2.8 Services that facilitate communication e.g. courier, postal, telecommunication
- 12.2.9 Trends in communication: Facsimile (Fax), Developments in the internet (e.g. e-mail, e-commerce), Cell-phones

13.0.0 WAREHOUSING

13.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and importance of warehousing to business;
- b) discuss the essentials of a warehouse;
- c) identify the various types of warehouses;
- d) discuss the advantages and disadvantages of each type of warehouse.

13.2.0 Content

- 13.2.1 Warehousing
- 13.2.2 Essentials of a warehouse
- 13.2.3 Types of warehouses
- 13.2.4 Advantages and disadvantages of each type of warehouse.

14.0.0 INSURANCE

14.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the concept of insurance;
- b) discuss the meaning and importance of insurance;
- c) explain terms used in insurance;
- d) explain the principles of insurance;
- e) distinguish between the classes of insurance;
- f) explain the meaning of reinsurance and co-insurance;
- g) describe procedure for obtaining an insurance policy;
- h) describe the procedure of making an insurance claim.

14.2.0 Content

- 14.2.1 Insurance
- 14.2.2 Importance of Insurance
- 14.2.3 Terms used in Insurance
- 14.2.4 Principles of Insurance
- 14.2.5 Classes of insurance
- 14.2.6 Re-insurance and co-insurance
- 14.2.7 Obtaining an insurance policy
- 14.2.8 Making an insurance claim

15.0.0 PRODUCT PROMOTION

15.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of a product;
- b) explain the meaning and purpose of product promotion;

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- c) discuss various methods of product promotion;
- d) discuss advantages and disadvantages of each method of product promotion;
- e) discuss factors which influence choice of promotion medium;
- f) discuss the factors which influence choice of promotion medium;
- g) recognise the need for ethical practices in product promotion;
- h) discuss trends in product promotion.

15.2.0 Content

- 15.2.1 Meaning of a product
- 15.2.2 Product promotion
- 15.2.3 Methods of product promotion
- 15.2.4 Advantages and disadvantages of each method of product promotion
- 15.2.5 Choice of promotion method
- 15.2.6 Choosing a promotion medium
- 15.2.7 Ethical issues in product promotion
- 15.2.8 Trends in product promotion

16.0.0 DEMAND AND SUPPLY

16.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of demand;
- b) explain the factors which influence demand for a product;
- c) distinguish between derived demand and joint demand;
- d) derive a demand curve from a demand schedule;
- e) distinguish between movement along a demand curve and shift in the demand curve;
- f) explain the meaning and importance of elasticity of demand;
- g) explain the meaning of supply;
- h) explain the factors which influence supply of a product;
- i) derive a supply curve from a supply schedule;
- j) distinguish between movement along a supply curve and shift in supply curve;
- k) explain the meaning and importance of elasticity of supply;
- l) determine equilibrium price and quantity;
- m) discuss the effects of excess demand and excess supply on equilibrium price and quantity;
- n) discuss the effects of a shift in a demand curve and a shift in a supply curve on equilibrium price and quantity.

16.2.0 Content

- 16.2.1 Demand
- 16.2.2 Factors which influence demand for a product
- 16.2.3 Derived demand and joint demand
- 16.2.4 Demand schedule and demand curve
- 16.2.5 Movement along and shift in a demand curve
- 16.2.6 Elasticity of demand
- 16.2.7 Meaning of supply
- 16.2.8 Factors which influence supply of a product
- 16.2.9 Supply schedule and supply curve
- 16.2.10 Movement along a supply curve and shift in the supply curve
- 16.2.11 Elasticity of supply

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- 16.2.12 Equilibrium price and quantity
- 16.2.13 Excess demand and excess supply
- 16.2.14 Effects of shift in a demand curve and shift in a supply curve on equilibrium price and quantity.

THEORY OF THE FIRM

17.0.0 Specific Objectives

17.1.0 By the end of the topic, the learner should be able to:

- a) distinguish between a firm and an industry;
- b) discuss the factors which influence the decision on what goods and services to produce;
- c) distinguish between different costs of production;
- d) describe the criteria for determining the size of a firm;
- e) explain the factors that influence the location of a firm;
- f) discuss the economies and diseconomies of scale;
- g) discuss advantages and disadvantages of localization and delocalization of firms;
- h) justify the reasons for existence of small firms;
- i) discuss the implication of production activities on the environment and community health.

17.2.0 Content

- 17.2.1 The concepts of a firm and industry
- 17.2.2 Decision on what goods and serves to produce
- 17.2.3 Costs of production: Fixed costs and variable costs, Direct costs and indirect costs, Total costs, average costs and marginal costs,
- 17.2.4 Determining the size of a firm
- 17.2.5 Location of a firm
- 17.2.6 Economies and diseconomies of scale
- 17.2.7 Localization and delocalization of firms in an economy.
- 17.2.8 Existence of small firms in an economy
- 17.2.9 Implications of production activities on the environment and community health

18.0.0 PRODUCT MARKETS

18.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of a market;
- b) discuss different types of product markets;
- c) determine price and output in the various product markets;
- d) explain other methods of determining price of a product.

18.2.0 Content

- 18.2.1 Meaning of a market
 - 18.2.2 Types of product markets and the assumptions of each
 - 18.2.3 Determining price and output in various product markets
- Note: Coverage of profit and loss not required
- Other methods of determining price of a product

19.0.0 CHAIN OF DISTRIBUTION

19.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of distribution
- b) describe the various channels of distribution
- c) discuss the role of intermediaries in distribution chain
- d) discuss the factors which may influence choice of a distribution channel.

19.2.0 Content

- 19.2.1 Meaning of distribution
- 19.2.2 Channels of distribution
- 19.2.3 Intermediaries in the distribution chain
- 19.2.4 Choosing a distribution channel

20.0.0 NATIONAL INCOME

20.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of national income;
- b) describe the circular flow of income;
- c) determine national income using the various approaches;
- d) explain the problems encountered in measuring national income;
- e) discuss the uses of national income statistics;
- f) discuss the factors which influence the level of national income.

20.2.0 Content

- 20.2.1 Meaning of national income
- 20.2.2 The circular flow of income
- 20.2.3 Approaches to measurement of national income
- 20.2.4 Problems encountered in measuring national income
- 20.2.5 Use of national income statistics
- 20.2.6 Factors which influence the level of national income

Note: Only elementary treatment of national income concepts required

21.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the basic concepts in population
- b) explain the implications of population size and structure on the development of a country
- c) explain the meaning of employment and unemployment
- d) discuss the various types and causes of unemployment
- e) discuss measures that may be taken to solve unemployment problems

21.2.0 Content

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- 21.2.1 Basic concepts in population: Fertility, Mortality, Growth rate, Optimum population, Under-population, Over-population, Young population, Aging population.
- 21.2.2 Implication of population size and structure on development
- 21.2.3 Employment and Unemployment
- 21.2.4 Types and causes of unemployment
- 21.2.5 Solving unemployment

22.0.0 DETERMINING THE NET WORTH OF A BUSINESS

22.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of the terms assets, liabilities and capital;
- b) derive the book-keeping equation;
- c) prepare a simple balance sheet;
- d) relate the accounting equation to the balance sheet;
- e) explain the meaning of networth of a business.

22.2.0 Content

- 22.2.1 Meaning of assets, liabilities and capital
- 22.2.2 The book keeping equation
- 22.2.3 Balance sheet
- 22.2.4 Relationship between book-keeping equation and balance sheet
- 22.2.5 Networth of a business

23.0.0 BUSINESS TRANSACTIONS

23.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of a business transaction;
- b) distinguish between cash and credit transactions;
- c) determine the effects of transactions on the balance sheet;
- d) discuss causes of changes in capital;
- e) determine the initial and final capital of a business.

23.2.0 Content

- 23.2.1 Meaning of a business transaction
- 23.2.2 Cash and credit transactions
- 23.2.3 Effects of transactions on the balance sheet
- 23.2.4 Causes of changes in capital
- 23.2.5 Initial and final capital of a business

24.0.0 THE LEDGER

24.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and purpose of a ledger;

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- b) explain the concept of double entry;
- c) explain the meaning and format of a ledger account;
- d) explain the rules of recording business transactions in ledger accounts;
- e) record business transactions in various ledger accounts;
- 1) describe the procedure of balancing a ledger account;
- g) balance off a ledger account;
- h) extract a trial balance from ledger account balances;
- i) Explain the purposes and limitations of a trial balance;
- j) Classify accounts;
- k) Discuss the various types of ledgers.

24.2.0 Content

- 24.2.1 Meaning and purpose of a ledger
- 24.2.2 Concept of double entry
- 24.2.3 Meaning and format of a ledger account
- 24.2.4 Rules of posing to various ledger accounts: Asset account, Liability account, Expense account, Revenue account, Capital account.
- 24.2.5 Recording business transactions in the ledger accounts
- 24.2.6 Balancing a ledger account
- 24.2.7 The trial balance
- 24.2.8 Purpose and limitations of a trial balance
- 24.2.9 Classification of ledger accounts
- 24.2.10 Types of ledgers

25.0.0 THE CASH BOOK

25.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and purpose of a cash book;
- b) distinguish between the basic types of cash books;
- c) explain the term contra entry;
- d) prepare the various cash books.
- 25.2.1 Meaning and purpose of a cash book
- 25.2.2 Basic types of cash books
- 25.2.3 Contra entry
- 25.2.4 Preparation of a cash book: Single — column, Two— column, Three column, Petty cash book.

26.0.0 SOURCE DOCUMENTS AND BOOKS OF ORIGINAL ENTRY

26.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of the term source documents;
 - b) identify the various source documents used to record business transactions;
 - c) explain the meaning of the term journal;
 - d) discuss the various books of original entry;
 - e) record information in the relevant journal from source documents;
- Post information from journals to the relevant ledger accounts.

26.2.0 Content

- 26.2.1 Source documents
- 26.2.2 Different source documents used in recording business transactions
- 26.2.3 Journal
- 26.2.4 Books of original entry
- 26.2.5 Recording information in the relevant journals from the source documents
- 26.2.6 Posting information to the relevant ledger accounts from various journals.

27.0.0 FINANCIAL STATEMENTS

27.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) identify the various financial statements;
- b) explain the importance of each of the financial statements;
- c) explain the concept of trading period;
- d) prepare simple financial statements;
- e) discuss the various types of capital;
- f) calculate basic ratios from financial statements;
- g) explain the importance of each of the basic financial ratios.

27.2.0 Content

- 27.2.1 Financial statements: Trading accounts, Profit and loss account, Trading, profit and loss account, Balance sheet.
- 27.2.2 Importance of the financial statements
- 27.2.3 Concept of trading period
- 27.2.4 Preparations of simple financial statements
- 27.2.5 Types of capital: working capital, borrowed capital, capital employed, capital owned
- 27.2.6 Calculating basic financial ratios: margins and mark-ups, current ratio/working capital ratio, rate of stock turn-over, return on capital
- 27.2.7 Importance of financial ratios

28.0.0 INCOMPLETE RECORDS

28.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the term incomplete record;
- b) explain the term statement of affairs;
- c) prepare a statement of affairs;
- d) distinguish between a statement of affairs and a balance sheet;
- e) update incomplete records;
- f) prepare final statements from updated records.

28.2.0 Content

- 28.2.1 Incomplete records
- 28.2.2 Statements of affairs
- 28.2.3 Preparation of a statement of affairs

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- 28.2.4 Distinction between a statement of affairs and a balance sheet
- 28.2.5 Updating incomplete records
- 28.2.6 Preparation of final statements from updated records

2 9.0.0 MONEY AND BANKING

29.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and limitations of barter;
- b) explain the meaning and characteristics of money;
- c) explain the functions of money;
- d) discuss demand for and supply of money;
- e) explain the meaning of banking;
- l) describe the development of banking;
- g) explain the functions of commercial banks;
- ii) discuss the types of accounts offered by commercial banks;
- i) explain the functions of non bank financial institutions;
- j) distinguish between commercial banks and non-bank financial institutions;
- k) discuss the role of a Central Bank in an economy;
- l) discuss trends in banking.

29.2.0 Content

- 29.2.1 Barter
- 29.2.2 Meaning and characteristics of money
- 29.2.3 Functions of money
- 29.2.4 Demand for and supply of money
- 29.2.5 Meaning of banking
- 29.2.6 Development of banking
- 29.2.7 Functions of commercial banks
- 29.2.8 Types of accounts offered by commercial banks
- 29.2.9 Functions of non-bank financial institutions
- 29.2.10 The role of the Central Bank in an economy
- 29.2.11 Trends in banking

30.0.0 PUBLIC FINANCE

30.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning and purpose of public finance;
- b) describe the various sources of public finance;
- c) categorize government expenditure;
- d) discuss the principles of government expenditure;
- e) explain the meaning and purpose of taxation;
- f) explain the principles of taxation;
- g) classify taxes;
- h) discuss the merits and demerits of each type of tax;
- i) discuss the role of the budget as a tool of planning.

30.2.0 Content

- 30.2.1 Public finance
- 30.2.2 Sources of public finance
- 30.2.3 Categories of Government expenditure
- 30.2.4 Principles of Government expenditure
- 30.2.5 Taxation
- 30.2.6 Principles of taxation
- 30.2.7 Classification of taxes
- 30.2.8 Merits and demerits of each type of tax
- 30.2.9 Budget as a tool of planning

31.0.0 INFLATION

31.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of inflation;
- b) determine consumer price index;
- c) discuss the types and causes of inflation;
- d) assess the effects of inflation in an economy;
- e) discuss the methods of controlling inflation.

31.2.0 Content

- 31.2.1 Inflation
- 31.2.2 Consumer price index
- 31.2.3 Types and causes of inflation
- 31.2.4 Effects of inflation in an economy
- 31.2.5 Controlling inflation

32.0.0 INTERNATIONAL TRADE

32.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) explain the meaning of international trade;
- a) discuss the advantages and disadvantages of international trade;
- b) account for the differences in the terms of trade between countries;
- c) describe the components of balance of payments account;
- d) discuss the causes of balance of payments disequilibrium;
- e) discuss the measures that may be taken to correct balance of payments disequilibrium;
- f) explain the terms of sale in international trade;
- g) Describe the documents used in international trade;
- h) Discuss the role of international financial institutions in international trade;
- i) Describe the various forms of economic integration;
- j) Recognize the importance of economic integration to a country;
- k) Discuss the advantages and disadvantages of free trade;
- 1) Explain the reasons for and methods of trade restriction;
- m) Discuss the advantages and disadvantages of trade restriction;

- n) Discuss the various exchange rate systems;
- o) Discuss trends in international trade.

32.2.0 Content

- 32.2.1 International trade
- 32.2.2 Advantages and disadvantages of international trade
- 32.2.3 Terms of trade
- 32.2.4 Reasons for differences in the terms of trade between countries
- 32.2.5 Balance of payments accounts
- 32.2.6 Balance of payments disequilibrium
- 32.2.7 Correcting balance of payments disequilibrium
- 32.2.8 Terms of sale in international trade
- 32.2.9 Documents used in international trade
- 32.2.10 International financial institutions: International Monetary Fund (IMF), African Development Bank (ADB), International Bank for Reconstruction and Development (World Bank)
- 32.2.11 Forms of economic integration
- 32.2.12 Importance of economic integration to a country
- 32.2.13 Free trade
- 32.2.14 Reasons for and methods of trade restriction
- 32.2.15 Advantages and disadvantages of trade restriction
- 32.2.16 Exchange rates: fixed, flexible
- 32.2.17 Trends in international trade e.g. Liberalization, Export Processing Zones (E.P.Z)

33.0.0 ECONOMIC DEVELOPMENT AND PLANNING

33.1.0 Specific Objectives

By the end of the topic, the learner should be able to:

- a) distinguish between economic growth and economic development;
- b) discuss the characteristics of under-development;
- c) explain the goals of development;
- d) discuss the factors which may hinder development;
- e) explain the meaning of development planning;
 - 1) recognize the need for development planning;
- g) discuss problems encountered in development planning.

332.0 Content

- 33.2.1 Economic growth and development
- 33.2.2 Characteristics of underdevelopment
- 33.2.3 Goals and development
- 3 3.2.4 Factors which hinder development
- 33.2.5 Meaning of development planning
- 33.2.6 Need for development planning
- 33.2.7 Problems encountered in development planning.