

RATU NAVULA COLLEGE

WEEK 6 HOME RESOURCE PACKAGE

LESSONS 53 – 56 NOTES AND ACTIVITIES

School: Ratu Navula College

Year / Level: 10

Subject: Commercial Studies

Lesson : 53

Strand: Economics II

Sub-strand: Development Economics

Content Learning Outcome: Investigate and discuss economic issues affecting economic growth and development

Development Economics

Economic growth

is an increase in a country's national income over time. Economic growth is expressed as the rate of increase in countries total output, the percentage increase in real gross domestic product over time measuring Economic Growth

There are two ways of measuring economic growth

-GDP the total output for the year ÷ GDP per capita, the total output of a country for a given year divided by total population

Factors That Affect Economic Growth

There are many factors that affect economic growth.

Some of them are:

- The types of resources available
- Education of the labour force
- The domestic and international demand for products produced locally
- The level of spending by consumers, business firms and government
- Stability in the government policies, crime rates and population growth

Factors That Hinder Economic Growth

There are several things that hinder economic growth and they are:

- unskilled labour and old, outdated capital and technology
- rapid population growth
- reliance on only a few producers for production
- Natural disasters
- Non-economic factors such as religion, custom, culture and political instability when they contradict economic progress

Economic growth is bigger quantities (GDP and GDP per capita)

Economic development is bigger qualities (improvements in quality of life)

Activity

“All crime is like a disease and should be treated as such.” – Mahatma Gandhi With reference to the above statement:

- state one cause of crime.
- explain two effects of crime.
- explain two government actions to reduce crime in Fiji.

Lesson : 54**Strand: Economics II**

Sub-strand: Development Economics

Content Learning Outcome: Investigate and discuss economic issues affecting economic growth and development

Unemployment

Unemployment exists when there are people willing to work but they are unable find suitable work. This definition is concerned with involuntary employment which is distinct from the voluntary unemployment of retired or sick people.

Causes of Unemployment

There are some causes of unemployment

- Reduced spending by business firms

-High wage rates

-Uneducated workforce

-Unskilled workforce

-Overpopulation

Effects of Unemployment

Social effects of unemployment include the following:

-Hurts the worker and his or her family

- Loss of family savings

-Caused by inadequate income

-Loss of self-respect/morale

-Disrupts families and households

-Increases in crime

-Declines in standard of living

Government Actions To Solve Unemployment

-Encourage overseas investors to come into Fiji to start business.

-Encourage more foreign investors as this will create more jobs.

-Education reforms – Free education system; vocational programs to promote employment skills training. Vocational Programs to allow students to be self- employed; Bus fare Assistance

Scheme to allow students to attend schools in order to acquire the necessary skills for Tertiary studies as well as the job market.

-Bridging the gap in terms of development by focusing on rural areas as well/ This will prevent the rural to urban drift.

Lesson: 55

Strand: Economics II

Sub-strand: Development Economics

Content Learning Outcome: Investigate and discuss economic issues affecting economic growth and development

Activity

Unemployment is one of the economic problems around the world. With reference to the above statement:

- define unemployment.

-explain two effects of unemployment.

-explain two government actions to reduce unemployment in Fiji.

Lesson : 56**Strand: Economics II**

Sub-strand: Development Economics

Content Learning Outcome: Investigate and discuss economic issues affecting economic growth and development

Rural To urban drift

Is the movement of people from the countryside or villages to the towns and cities.

Causes

- seeking for employment
- inequitable land distribution
- for further education
- higher income and better standards of living
- vulnerability to natural disasters

Effects

- loss of human resources in rural areas
- increase in unemployment in towns and cities
- increase in crime in towns and cities
- lack of development in rural areas.

Government policies to solve the problems of rural to Urban drift

- involve local community in local government
- develop infrastructure in rural areas
- improve local government facilities in small towns
- Better job prospects in rural areas
- creates rural development awareness programs

WEEK 6 WORKSHEETQuestionsDevelopment Economics

1. Define unemployment.
2. State one measure which government undertakes to reduce unemployment in Fiji.
3. Refer to the article below and answer the questions that follow:

POVERTY ANALYSIS (extract)**Poverty indicators**

Poverty remains a significant concern in Fiji, despite the overall level of development and the moderately high average incomes. Poverty trends indicate that the national incidence of poverty declined from 35% in 2002–2003 to 31% in 2008–2009. This reduction in poverty was uneven—urban areas saw a reduction in poverty from 28% to 19%, while poverty in rural areas increased from 40% in 2002–2003 to 43% in 2008–2009, possibly as a result of the decline in the sugar industry, expiring land leases for agriculture.

Source: Asian Development Bank Country Partnership Strategy: Fiji, 2014–2018

1. What happen to poverty rate in rural areas from 20012 - 2003 and from 2008 -2009?
2. Explain one reason for your answer above.
3. Where does the information come from?