

# KCSE Business Studies Syllabus

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Form One Business Studies

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## INTRODUCTION

The Business Studies syllabus incorporates fundamental aspects of the various business disciplines, leaving out the more specialized concepts for post school education and training.

The aim of the subject is to provide the learner with opportunities to acquire basic business skills and positive attitudes necessary for the development of self and the nation.

Business Studies, being a living subject, takes into account the need to address contemporary issues, trends in business and current economic issues in society. The teacher as well as the learners is therefore expected to update themselves on these trends by making use of resources such as print and electronic media, resource persons and relevant business environment.

The vital role of the learner in the learning process has also been recognized. In this connection, the teacher is strongly advised to employ participatory approaches to learning in order to tap and incorporate the learner's experiences.

## GENERAL OBJECTIVES

This course will enable the learner to:

I. acquire necessary knowledge, skills and attitude for the development of the 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 communication and information technology in modern business management
11. develop positive environmental 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.

## **FORM I BUSINESS STUDIES**

- 1.0.0 Introduction to Business Studies (3 Lessons)
- 2.0.0 Business and Its Environment (6 Lessons)
- 3.0.0 Satisfaction Of Human Wants (9 Lessons)
- 4.0.0 Production (12 Lessons)
- 5.0.0 Entrepreneurship (17 Lessons)
- 6.0.0 The Office (17 Lessons)
- 7.0.0 Home Trade (30 Lessons).

## **1.00 INTRODUCTION TO BUSINESS STUDIES (3 LESSONS)**

### **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.

## **1.20 CONTENT**

### **1.21 Meaning of business studies**

### **1.22 Importance of business studies in society**

The study of business is about how individuals and groups of people organise, plan, and act to create and develop goods and services to satisfy customers. Business is influenced by and impacts on the cultural, ethical, environmental, political, and economic conditions of the day.

Business Studies will help you to make more informed decisions in the everyday business of living. It gives you a better understanding of the world of work. It encourages you to think about how and why people start up in business and why you too might also consider starting a business.

As well as developing the essential transferable or 'soft' skills that employers demand, the following strengths are also cultivated through business studies:

- critical thinking and analytical skills, alongside familiarity with evaluative techniques;
- numeracy and the ability to research, interpret and use business and financial data and information;
- self-reliance, initiative and the ability to manage time, projects and resources;
- appreciation of the causes and effects of economic and other external changes,
- a creative problem-solving approach and sound, logical decision-making skills;
- effective and persuasive written and oral communication skills;
- understanding organisational behaviour and structure.

These attributes are much sought after by employers, since they build commercial awareness and allow new employees to start contributing to the organisation quickly.

The course structure and design of assignments also boost employability, with presentations, group work, independent projects and business simulation activities giving ample opportunity for development.

## **2.00 BUSINESS AND ITS ENVIRONMENT (6 LESSONS)**

### **2.10 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 environments influence a business

#### 2.20 CONTENT

2.21 Meaning and purpose of a business

2.22 Business activities

2.23 Business environments.

- a) Internal

- b) External

2.24 Effects of various business environments on a business

### 3.00 SATISFACTION OF HUMAN WANTS (9 LESSONS)

#### 3.10 SPECIFIC OBJECTIVES

By 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 service
- d) discuss characteristics of goods and services
- e) explain the meaning and characteristics of economic resources
- f) relate the concepts of scarcity, choice and opportunity cost to real life situations

#### 3.20 CONTENT

3.21 Meaning and characteristics of human wants

3.22 Types of human wants

3.23 Meaning of goods and services

3.24 Characteristics of goods and services

3.25 Economic resources

3.26 Relation between Scarcity, choice and opportunity cost to real life situations

#### **4.00 PRODUCTION (12 LESSONS)**

##### **4.10 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) Classify goods and services produced in an economy.

##### **4.20 CONTENT**

- 4.21 Meaning of production.
- 4.22 Types of utility.
- 4.23 Direct and indirect production.
- 4.24 Levels of production and related occupations.
- 4.25 Factors of production and their rewards.
- 4.26 Division of labour and specialization,
- 4.27 Classification of goods and services produced in an economy.

#### **5.00 ENTREPRENEURSHIP (17 LESSONS)**

##### **5.10 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) explain the need for a business plan
- h) discuss the factors that may inhibit entrepreneurial development in Kenya
- i) discuss the causes of business failure
- j) recognize the need for ethical practices in business

## **5.20 CONTENT**

- 5.21 Meaning of entrepreneurship
- 5.22 Importance of entrepreneurship to an economy
- 5.23 Characteristics of an entrepreneur
- 5.24 Business ideas
- 5.25 Business opportunity
- 5.26 Evaluating a business opportunity
- 5.27 Need for a business plan
- 5.28 Factors that influence entrepreneurial practices
- 5.29 Causes of Business Success
- 5.30 Ethical values in business

## **6.00 THE OFFICE (17 LESSONS)**

### **6.10 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.

## **6.20 CONTENT**

6.21 Concept of an office

6.23 Functions of an office

6.24 Types of office layouts

6.25 Role of filing in an office

6.26 Duties of various office staff

6.27 Essential qualities of office staff

6.28 Trends in office management.

## **8.00 HOME TRADE**

### **8.01 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) explain the means of payment 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.

## **8.20 CONTENT**

8.21 Meaning and importance of trade

8.22 Classification of trade

8.23 Forms of home trade

8.24 Types and functions of retailers

8.25 Types and functions of wholesalers

- 8.26 Documents used in home trade
- 8.27 Means of payment in home trade
- 8.28 Terms of payment in home trade

## **FORM II - KENYA BUSINESS STUDIES**

8.0.0 Forms of Business Units (30 Lessons)

9.0.0 Government and Business (12 Lessons)

10.0.0 Transport ( 12 Lessons)

11.0.0 Communication (12 Lessons)

12.0.0 Warehousing (6 Lessons)

13.0.0 Insurance (12 Lessons)

14.0.0 Product Promotion (12 Lessons).

### **9.00 FORMS OF BUSINESS UNITS (30 LESSONS)**

#### **8.10 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) discuss the role of stock exchange as a market for securities
- f) explain the advantages and disadvantages of each form of business unit
- g) recognize the circumstances under which the various forms of business units may be dissolved.
- h) discuss trends in business ownership.

#### **8.20 CONTENT**

8.21 Business units



- a) Sole proprietorships
- b) Partnerships
- c) Co-operatives
- d) Private companies
- e) Public companies
- f) Public corporations
- g) Parastatals

8.22 Features of each form of business unit

8.23 Formation and management of each form of business unit

8.24 Sources of capital for each form of business unit

8.25 Role of stock exchange market as a market for securities

8.26 Advantages and disadvantages of each form of business unit

8.27 Dissolution of business units

8.28 Trends in business ownership e.g.

- a) Globalization
- b) Amalgamation/mergers
- c) Privatization

## **10.00 GOVERNMENT AND BUSINESS (12 LESSONS)**

### **9.10 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.

### **9.20 CONTENT**

9.21 Government involvement in business activities

9.22 Government involvement in business e.g.

- a) Regulations
- b) Training
- c) Trade promotion
- d) Provision of public utilities
- e) Enabling environment

9.23 Merits and demerits of Government involvement in business

9.24 Consumer protection

- a) Need for consumer protection
- b) Methods of consumer protection.

## **10.00 TRANSPORT (12 LESSONS)**

### **10.10 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 essential elements 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 appropriate means of transport
- f) discuss trends of transport.

### **10.20 CONTENT**

10.21 Meaning and importance of transport

10.22 Essentials of transport

10.23 Modes and means of transport

10.24 Advantages and disadvantages of each means of transport

10.25 Choice of appropriate means of transport

10.26 Trends in transport e.g.

a) Containerization

b) Pipeline.

## **11.00 COMMUNICATION (12 LESSONS)**

### **11.10 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 essential of effective communication

d) discuss the advantages and disadvantages of each means of communication

e) discuss the factors that influence choice of an appropriate means of communication

f) identify the barriers to effective communication

g) discuss services that facilitate communication

h) discuss trends in communication

### **11.20 CONTENT**

11.21 Meaning and importance of communication

11.22 Lines of communication

a) Vertical/horizontal

b) Formal and informal

11.23 Essential of effective communication

11.24 Barriers to effective communication

11.25 Forms and means of communication

11.26 Advantages and disadvantages of communication

11.27 Choice of an appropriate means of communication

11.28 Services that facilitate communication e.g. courier, postal, telecommunication

11.29 Trends in communication e.g.

- a) Facsimile (fax)
- b) Development in the internet e.g. e-mail; e-commerce
- c) Cell-phones.

## **12.00 WAREHOUSING (6 LESSONS)**

### **12.10 SPECIFIC OBJECTIVES**

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

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

### **12.20 CONTENT**

- 12.21 Meaning and importance of warehousing
- 12.22 Essentials of a warehouse
- 12.23 Types of warehouses
- 12.24 Advantages and disadvantages of each type of warehouse.

## **13.00 INSURANCE (12 LESSONS)**

### **13.10 SPECIFIC OBJECTIVES**

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

- a) explain meaning and 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 re-insurance and co-insurance
- g) describe procedures of obtaining an insurance policy
- h) describe the procedure of making an insurance claim.

### **13.20 CONTENT**

13.21 Meaning and concept of insurance

13.22 Importance of insurance

13.23 Terms used in insurance

13.24 Principles of insurance

13.25 Classes of insurance

13.26 Re-insurance and co-insurance

13.27 Obtaining an insurance policy

13.28 Making an insurance claim.

### **14.00 PRODUCT PROMOTION (12 LESSONS)**

#### **14.10 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 importance of product promotion
- c) explain the various methods of product promotion
- d) explain the advantages and disadvantages of each method of product promotion
- e) discuss factors which influence choice of promotion method
- f) recognize the need for ethical practices in product promotion
- g) discuss trends in product promotion.

### **14.20 CONTENT**

14.21 Meaning of a product

14.22 Meaning and importance of product promotion

14.23 Methods of product promotion

14.24 Advantages and disadvantages of each method of product promotion

14.25 Choice of promotion method

14.26 Ethical issues in product promotion

14.27 Trends in product promotion.

### **FORM III - KENYA BUSINESS STUDIES**

15.00 Demand and Supply (20 Lessons)

16.00 Size and Location of a Firm (14 Lessons)

17.00 Product Markets (10 Lessons)

18.00 Chain of Distribution (6 Lessons)

19.00 National Income (20 Lessons)

20.00 Population and Employment (10 Lessons)

21.00 Net Worth of a Business (8 Lessons)

22.00 Business Transactions (12 Lessons)

23.00 The Ledger (16 Lessons)

24.00 The Cash Book (8 Lessons)

### **15.00 DEMAND AND SUPPLY (20 LESSONS)**

#### **15.10 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 of supply
- g) explain the factors which influence supply of a product
- h) derive a supply curve from a supply schedule
- i) distinguish between movement along a supply curve and shift in supply curve
- j) determine equilibrium price and quantity
- k) discuss the effect of excess demand and excess supply in the market

- l) explain the effect of a shift in demand curve on equilibrium price and equilibrium quantity
- m) explain the effect of a shift in supply curve on equilibrium price and equilibrium quantity
- n) explain other methods of determining price of a product.

## **15.20 CONTENT**

15.21 Meaning of demand

15.22 Factors which influence demand for a product

15.23 Derived demand and joint demand

15.24 Demand schedule and demand curve

15.25 Movement along a demand curve and shift in a demand curve

15.26 Meaning of supply

15.27 Factors which influence supply of a product

15.28 Supply schedule and supply curve

15.29 Movement along a supply curve and shift in a supply curve

15.30 Equilibrium price and quantity

15.31 Excess demand and excess supply

15.32 Effects of shift in a demand curve and shift in a supply curve on equilibrium price and quantity

15.33 Other methods of determining price of a product.

N.B: Only normal demand and normal supply curves should be discussed in Topic 15.00.

## **16.00 SIZE AND LOCATION OF A FIRM (14 LESSONS)**

### **16.10 SPECIFIC OBJECTIVES**

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) describe the criteria of determining the size of a firm
- d) explain the factors that influence the location of a firm
- e) discuss advantages and disadvantages of localization and delocalization of firms

- f) discuss the economies and diseconomies of scale.
- g) justify the reasons for existence of small firms
- h) discuss the implications of production activities on the environment and community health
- i) recognize the need for maintaining a healthy environment.

#### **16.20 CONTENT**

- 16.21 The concept of a firm and an industry
- 16.22 Decision on what goods and services to produce
- 16.23 Determining the size of a firm
- 16.24 Location of a firm
- 16.25 Localization and delocalization of firms in an economy
- 16.26 Economies and diseconomies of scale
- 16.27 Existence of small firms in an economy
- 16.28 Implications of production activities on the environment and community health
- 16.29 Maintain healthy environments

#### **18.00 PRODUCT MARKETS (10 LESSONS)**

##### **17.10 Specific Objectives**

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

- a) explain the meaning of a market
- b) explain the meaning of product market
- c) discuss the features of various types of product markets.

#### **17.20 CONTENT**

- 17.21 Meaning of a market
- 17.22 Meaning of product market
- 17.23 Features of various types of product markets.

#### **19.00 CHAIN OF DISTRIBUTION (6 LESSONS)**

##### **18.10 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 the distribution chain
- d) discuss the factors which may influence choice of a distribution channel.

#### **18.20 CONTENT**

18.21 Meaning of distribution

18.22 Channels of distribution

18.23 Intermediaries in the distribution chain

18.24 Distribution of various products

18.25 Choosing a distribution channel

#### **19.00 NATIONAL INCOME (20 LESSONS)**

##### **19.10 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) explain the methods of measuring national income
- d) explain the problems encountered in measuring national income
- e) discuss the uses of national income statistics
- f) discuss the factors that influence the level of national income.

#### **19.20 CONTENT**

19.21 Meaning of national income

19.22 The circular flow of income

19.23 Methods of measuring national income

19.24 Problems encountered in measuring national income

19.25 Uses of national income statistics

19.26 Factors which influence the level of national income.

## **20.00 POPULATION AND EMPLOYMENT (10 LESSONS)**

### **20.10 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 the measures that may be taken to solve unemployment problems.

### **20.20 CONTENT**

20.21 Basic concepts in population e.g.

- a) Fertility
- b) Mortality
- c) Growth rate
- d) Optimum population
- e) Over-population
- f) Under-population
- g) Young population
- h) Ageing population
- i) Declining population

20.22 Implication of population size and structure on development

20.23 Employment and unemployment

20.24 Types and causes of unemployment

20.25 Solving unemployment problems.

21.00 Net Worth of a Business (8 Lessons)

## **23.00 BUSINESS TRANSACTIONS (12 LESSONS)**

## **22.10 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 transaction
- 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.

## **22.20 CONTENT**

22.21 Meaning of a business transaction

22.22 Cash and credit transactions

22.23 Effects of transactions on the balance sheet

22.24 Causes of changes in capital

22.25 Initial and final capital of a business

## **23.00 THE LEDGER (16 LESSONS)**

### **23.10 SPECIFIC OBJECTIVES**

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

- a) explain the meaning and purpose of a ledger
- b) explain the concept of double entry
- c) explain the meaning and format of a ledger account
- d) explain the rules of recording business transaction in ledger accounts
- e) record business transactions in various ledger accounts
- f) describe the procedure of balancing a ledger account
- g) balance off a ledger account
- h) extract a trial balance from ledger account balance
- i) explain the purposes and limitations of a trial balance
- j) classify accounts

k) discuss the various types of ledgers.

#### **23.20 CONTENT**

23.21 Meaning and purpose of a ledger

23.22 Concept of double entry

23.23 Meaning and format of a ledger account

23.24 Rules of posting of various ledger accounts

a) Assets accounts

b) Liability accounts

c) Expenses accounts

d) Revenue accounts

e) Capital accounts

23.25 Recording business transaction in the ledger accounts

23.26 Balancing a ledger account

23.27 The trial balance

23.28 Purpose and limitations of a trial balance

23.29 Classification of ledger accounts

23.30 Types of ledgers.

#### **25.00 THE CASH BOOK (8 LESSONS)**

##### **24.10 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.

#### **24.20 CONTENT**

24.21 Meaning and purpose of a cash book

24.22 Basic types of cash books

24.23 Contra entry

24.24 Preparation of a cash book

a) Single - column

b) Two - column

c) Three - column

#### **FORM IV KENYA - BUSINESS STUDIES SYLLABUS**

25.00 Sources Documents and Books of Original Entry

26.00 Financial Statements

27.00 Money and Banking

28.00 Public Finance

29.00 Inflation

30.00 International Trade

31.00 Economic Development and Planning

#### **25.00 SOURCE DOCUMENTS AND BOOKS OF ORIGINAL ENTRY**

##### **25.10 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) discuss the various books of original entry
- d) explain the meaning of the term journal
- e) record information in the relevant journal from the source documents
- f) post information from journals to the relevant ledger accounts.

##### **25.20 CONTENT**

25.21 Source documents

25.22 Different source documents used in recording business transaction

25.23 Books of original entry

25.24 The journal

25.25 Recording information in the relevant journals from source documents

25.26 Posting information to the relevant ledger accounts from various journals.

## **26.0.0 FINANCIAL STATEMENTS**

### **26.10 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) explain the various types of capital
- f) calculate basic ratios from financial statements
- g) explain the importance of each of the basic financial ratios.

### **26.20 CONTENT**

#### **26.21 Financial Statements**

- a) Trading account
- b) Profit and loss account
- c) Trading, profit and loss account
- d) Balance sheet

26.22 Importance of the financial statements

26.23 Concept of trading period

26.24 Preparation of simple financial statements

26.25 Types of capital

- a) Working capital
- b) Borrowed capital

- c) Capital owned
- d) Capital employed

26.26 Calculating basic financial ratios e.g

- a) Margins and mark-ups
- b) Current ratio/ working capital ratio
- c) Rate of stock turn-over
- d) Return on capital

26.27 Importance of financial ratios

NB: End year adjustments are not required in Topic 26.00

## **27.00 MONEY AND BANKING**

### **27.10 SPECIFIC OBJECTIVES**

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

- a) explain the meaning and limitations of barter trade
- b) explain the meaning and characteristics of money
- c) explain the functions of money
- d) explain demand for and supply of money
- e) describe the meaning of banking
- f) describe the development of banking
- g) explain the functions of commercial banks
- h) explain the main 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) explain the functions of a Central Bank in an economy.
- l) discuss trends in banking.

### **27.20 CONTENT**

27.21 Meaning and limitations of barter trade

- 27.22 Meaning and characteristic of money
- 27.23 Functions of money
- 27.24 Demand for and supply of money
- 27.25 Meaning of banking
- 27.26 Development of banking
- 27.27 Functions of commercial banks
- 27.28 Types of accounts offered by commercial banks
- 27.29 Functions of non-bank financial institutions
- 27.30 The functions of the Central Bank in an economy
- 27.31 Trends in banking.

### **30.0.0 PUBLIC FINANCE**

#### **28.10 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) explain the principles of government expenditure
- e) explain the meaning and purpose of taxation
- f) explain the principles of taxation
- g) classify taxes
- h) explain the merits and demerits of each type of tax.

#### **28.20 CONTENT**

- 28.21 Meaning and purpose of public finance
- 28.22 Sources of public finance
- 28.23 Categories of Government expenditure
- 28.24 Principles of Government expenditure



- 28.25 Meaning and purpose of taxation
- 28.26 Principles of taxation
- 28.27 Classification of taxes
- 28.28 Merits and demerits of each type of tax

## **29.0.0 INFLATION**

### **29.10 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) explain the various types of inflation
- d) discuss causes of each type of inflations
- e) explain the levels of inflation
- f) assess the effects of inflation in an economy
- g) discuss the methods of controlling inflation.

### **29.20 CONTENT**

- 29.21 Meaning of inflation
- 29.22 Consumers price index
- 29.23 Types of inflation
- 29.24 Causes of inflation
- 29.25 Levels of inflation
- 29.26 Effects of inflation in an economy
- 29.27 Controlling inflation.

## **30.0.0 INTERNATIONAL TRADE**

### **30.10 SPECIFIC OBJECTIVES**

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

- a) explain the meaning of international trade

- b) explain the advantages and disadvantages of international trade
- c) discuss terms of trade, balance of trade and balance of payments
- d) discuss the causes of balance of payments disequilibrium.
- e) discuss the measures that may be taken to correct the balance of payment disequilibrium
- f) explain the terms of sale in international trade
- g) describe the documents used in the 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) explain the advantages and disadvantages of free trade
- l) explain the reason for trade restrictions
- m) discuss the methods of trade restriction
- n) discuss the advantages and disadvantages of trade restriction
- o) discuss trends in international trade.

#### 30.20 CONTENT

30.21 Meaning of international trade

30.22 Advantages and disadvantages of international trade

30.23 Terms of trade, balance of trade, balance of payments

30.24 Balance of payment disequilibrium

30.25 Correcting balance of payment disequilibrium

30.26 Terms of sale in international trade

30.27 Documents used in international trade

30.28 International financial institutions e.g.

a) International Monetary Fund (IMF)

b) Africa Development Bank (ADB)

c) International Bank for Reconstruction and Development (World Bank)

- 30.29 Forms of economic integration
- 30.30 Importance of economic integration to a country
- 30.31 Advantages and disadvantages of free trade
- 30.32 Reasons for and methods of trade restriction
- 30.33 Advantages and disadvantages of trade restrictions
- 30.34 Trends in international trade e.g.

a) Liberalization

b) Export processing Zones (E.P.Z)

### **33.0.0 ECONOMIC DEVELOPMENT AND PLANNING**

#### **31.10 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
- f) recognize the need for development planning
- g) discuss problems encountered in development planning.

#### **31.20 CONTENT**

- 31.21 Meaning of economic growth and economic development
- 31.22 Characteristic of under-development
- 31.23 Goals of development
- 31.24 Factors which hinder development
- 31.25 Meaning of development planning
- 31.26 Need for development planning

31.27 Problems encountered in development planning.

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