

ECONOMICS PROGRAMME FOR ADVANCED LEVEL

Section: Humanities

I. INTRODUCTION

Economics is among the basic subjects taught in Human Sciences. This section of Human Sciences can be opted for by any student who has satisfactorily completed the first three years of secondary education level. “TRONC-COMMUN”.

This teaching programme of economics is comprised of three parts:

- a) Introduction to Economics
- b) Micro-Economics
- c) Macro-Economics,

This subject, generally, is intended to explain the economic evolution in the world. But with particular reference to under developed economics. It also provides a basic background for

proper understanding of the subject and serve as a connecting link for further studies in higher institution of learning.

Economics inspires a learner to discover more about economic mechanism used in the society, its interactions and contributions towards economic development of a nation like Rwanda.

Finally, this subject will facilitate a learner for better understanding and application of the acquired skills and experience to other related subjects like:

- a) Mathematics
- b) Geography
- c) History and Social Sciences.

II. GENERAL ORIENTATION.

This economics subject which is mainly taught after “Tronc-Commun” in the three years of ordinary level, constitutes economic support on the Rwandan society this is to say;

- 1) It contributes on the development of human resource and National reconstruction.
- 2) It promotes competence and individual aptitudes on intellectual and professional plans.
- 3) It equips the learner with utmost intellectual tools in the context of the present Rwandan society to learn how to produce and transform his own environment positively.

III. GENERAL OBJECTIVES.

- 1) To enable a learner acquire a thorough insight into the science of economics and its basic concepts.
- 2) To facilitate a learner develop a systematic appreciation of the major Micro and Macro economic issues for easy integration in the society.
- 3) To enable a learner comprehend and search for solutions pertaining to economic development of the country.

IV. SPECIFIC OBJECTIVES SENIOR FOUR

By the end of the year a learner should be able to:

1. Explain different concepts used in economics
2. Identify the pricing mechanism used in economics
3. Describe the factors of production and show their functions in the resource utilisation process
4. Give the methods used in calculating national income of the country.
5. Distinguish different types of financial institutions and their roles in economic development of a country.

SENIOR FOUR

V. CONTENTS

CHAPTER: PRELIMINARY INTRODUCTION TO ECONOMICS

1. Historical back ground of economics

- 1.1. Economies as science
- 1.2. Aims of studying economics
- 1.3. Economics doctrines

2. Definitions of economics concepts

- 2.1. Economics
 - 2.1.1. The scope of economics
 - 2.1.2. Basic principles of economics
 - Scarcity
 - Choice
 - Opportunity cost,
- 2.2. Micro economics
- 2.3. Macro economics
- 2.4. Price

2.5. Market

2.6. Demand

2.7. Supply

2.8. Economic agents

2.9. Factors of production

2.10. Economic Systems

2.10.1. Capitalist System

2.10.2. Collective economy

3. *Organisation of the market function*

3.1. Economic activities

3.1.1. Economic operations

3.1.2. Circulation of economic activities

3.1.3. Economic agents

3.2.1. Circulation of goods and services

3.2.2. Monetary circulation

PART. I MICRO ECONOMICS

CHAPTER 1 : PRICE THEORY

- 1.1. A review of market concept
- 1.2. Price determination in the market
- 1.3. The theory of demand and supply
- 1.4. The law of demand and supply
- 1.5. Determination of prices by forces of demand and supply
- 1.6. Elasticity of demand and supply
- 1.7. Price fluctuations
- 1.8. Price administration and control
- 1.9. Consumers behaviour
- 1.10. Remuneration of factors of production

CHAPTER 2: PROCESS OF PRODUCTION

2.1 Production definition

2.2. Purpose of production

2.3. Production and consumption

2.4. Classification of goods

- Consumable goods

- Product goods

2.1.5 Units of production

2.1.5.1. A firm

2.1.5.2. Industry

- Private

- Public.

- Maximisation of profits in market structures

e.g., - Monopoly

- Oligopoly

- Perfect competition

2.1.5.3. Factors influencing location and localisation of an industry

2.2. Factors of production

2.2.1. Labour

2.2.1.1. Importance of labour

2.2.1.2. Supply of Labour

2.2.1.3. Efficiency of labour

2.2.1.4. Division of labour

e.g. – international

– national/regional

2.2.1.5. Productive and non productive labour

2.2.1.6. Remuneration of Labour e.g. - wage
- salary

2.2.1.7. Trade unions and their problems.

2.2.2.. Land

2.2.2.1. Importance of land

2.2.2.2. The relationship between land and labour as factors of production

2.2.2.3. Land utilisation

2.2.3. Capital

2.2.3.1. Types of capital

2.2.3.2. Material capital

2.2.3.3. Financial capital

2.2.3.4. Fixed capital

2.2.3.5. Importance of capital

2.2.3.6. Organisation of factors of production

2.2.3.7. Functions of an Entrepreneur

PART II: MACRO ECONOMICS

CHAPTER I: NATIONAL INCOME

1.1. Definition

1.2. National income in Macro Economics

1.2.1. Circular flow of income

1.2.2. Calculations and methods used in measuring national income

1.2.3. National income distribution

1.2.4. Consequences of unequal distribution of income

1.2.5. National income and percapita

1.2.6. National income in Rwanda.

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2.2.1.5. Productive and non productive labour

2.2.1.6. Remuneration of Labour e.g - wage

- salary

CHAPTER 3: MONEY AND FINANCIAL INSTITUTIONS

2.1. Money

2.1.1. Definition of money

2.1.2. Barter trade and evolution of money

2.1.3. Types of money e.g. - Fiduciary etc

2.1.4. Functions of money

2.1.5. Demand and supply of money

2.1.6. Qualities and value of money

2.1.7. Money circulation.

2.2.1. Financial institutions

2.2.1. Definition

Classification of financial institutions

- central bank

- commercial institutions

2.2.2.1. Central bank

Functions of a central bank

Tools used by a central bank

2.2.2.2. Commercial banks

Functions of commercial banks

Types of financial institution

Classification of financial institutions according to specialisation

2.2.3. Credit creation

2.2.3.1. Definition

2.2.3.2. Credit functions

2.2.3.3. Money market

2.2.3.4. Financial market

2.2.3.5. Credit utilisation

2.2.4. Organisation of financial institutions in Rwanda

2.2.4.1. B.N.R. (central bank)

2.2.4.2. Other commercial banks:

- B.C.R.
- B.K
- B.C.D.I
- BANCOR

- Co operative bank (Banque populaire)
- Post office savings bank
- B.R.D
- Caisse Hypothécaire du Rwanda (C.H.R.)
- Caisse Sociale du Rwanda (C.S.R.)

2.2.4.3. Insurance companies

- SONARWA
- SORAS
- COGEAR

IV. SPECIFIC OBJECTIVES: SENIOR FIVE

By the end of the year a learner should be able to:

1. Explain the major compositions of the structure of Rwandan economy
2. Identify the causes of inflation and its possible solutions in an economy
3. Describe the fiscal policy and other sources of public finance
4. Explain the functions of international monetary Systems
5. State the need for economic integration to a country
6. Identify the benefits of international trade on the national economy
7. Analyse different causes and consequences of unemployment on the economy.

V. CONTENTS: SENIOR FIVE

CHAPTER 1: INFLATION

- 1.1. Definition
- 1.2. Causes and different types of inflation
- 1.3. Inflation in developing countries e.g. Rwanda
- 1.4. Effects of inflation
- 1.5. Possible measures to curb inflation

CHAPTER 2: STRUCTURE OF RWANDAN ECONOMY

- A. Primary sector:
 - 2.1. Production of food crops
 - 2.2. Production of cash crops
 - 2.3. Mineral production
- B. Secondary sector
 - 2.4. Industries:

- Manufacturing
- Processing

2.5. Tourism.

C. Tertiary sector (services)

2.6. Transport and Telecommunication

2.7. Posts and Telecommunication

2.8. International trade - Exports

- Imports

2.9. Prices, salaries and employment

- Price policies
- Price evolutions
- Producer prices
- Consumer prices
- International commodity agreements to Rwanda

2.10. Salary structures

2.10.1. National income and salaries

2.10.2. Employment

CHAPTER 3 : PUBLIC FINANCE AND FISCAL POLICY

3.1. Definitions

3.2. Income and duties

3.2.1. Classification

3.2.2. Other sources of government income

3.2.3. The role of taxation in public finance

3.2.4. The structure of taxation in Rwanda

3.3. Budget

3.4. Public debt in Rwanda

CHAPTER 4 : INTERNATIONAL MONITORY SYSTEM

- 4.1. Background of international monetary Systems e.g. - Bretton - woods
- 4.2. IMF (Origins and roles)
- 4.3. World bank (origins and roles)
- 4.4. Structural Adjustment Programme
- 4.5.1. Objectives
- 4.5.2. Advantages and disadvantages
- 4.6. S.A.P and its activities in Rwanda

CHAPTER 5: ECONOMIC INTRGRATION

- 5.1. Introduction
- 5.2. Types of integrations
- 5.3. Condition necessary for the success of economic integration
- 5.4. Advantages of economic integration
- 5.5. Disadvantages of economic integration
- 5.6. Examples of economic integration

CEPGL

COMESA

K.B.O

- 5.7. Advantages of trading blocs to Rwanda

CHAPTER 6: INTERNATIONAL TRADE

6.1. Definition

6.2. Aspects of international trade

6.3. Protectionism

6.4. Terms of trade : - Imports
- Exports

6.5. Balance of payment

6.6. Advantages/benefits of international trade on Rwanda

CHAPTER 7: UNEMPLOYMENT AS A MACRO ECONOMIC PROBLEM

7.1. Introduction

7.2. Unemployment and underemployment

7.3. Types of unemployment:

- Chronic unemployment
- Cyclical unemployment
- Disguised unemployment
- Frictional unemployment
- Structural unemployment
- Technological unemployment

7.4. Keynesian theory of unemployment

7.5. Unemployment problem in Rwanda

7.6. Solutions to unemployment problem in Rwanda

SENIOR SIX

SPECIFIC OBJECTIVES

By the end of the year a learner should be able to :

1. Compare the characteristics of developed and underdeveloped economies
2. Give the theories and strategies of development process of a country
3. Explain the role of agriculture in economic development of a country
4. Describe the need for industrialisation strategy towards the development of a country
5. Present the advantages and inconveniences of an increasing population on the economy
6. Explain the characteristics of a good plan
7. Cite the advantages and disadvantages of privatisation policy in developing countries.

SENIOR SIX

CONTENTS

CHAPTER 1: ECONOMIC GROWTH, DEVELOPMENT AND UNDER DEVELOPMENT

- 1.1. Definitions:
 - Economic growth
 - Economic development
 - Under development
- 1.2. Factors of economic growth
- 1.3. Advantages and costs of economic growth
- 1.4. Theories of economic growth
- 1.5. Characteristics of developed and under developed economies.

CHAPTER 2: DEVELOPMENT PROCESS AND CHOICE OF DEVELOPMENT STRATEGY

- 2.1. Agricultural strategies and industrial development
- 2.2. Subsistence production and market production
- 2.3. Labour and capital intensive techniques
- 2.4. The role of intermediate technology
- 2.5. W.W. Rostow's theories of economic growth and development
- 2.6. Aid and development
- 2.7. The role of education in the economic development process

CHAPTER 3: AGRICULTURAL DEVELOPMENT

- 3.1. Food crops
- 3.2. Cash crops
- 3.3. Geographical distribution of agricultural products in Rwanda
- 3.4. Agricultural reforms in the country (Rwanda)
- 3.5. Obstacles of agricultural development
- 3.6. Role of agriculture on Rwandan economy
- 3.7. Prospects of agriculture in Rwanda

CHAPTER 3: INDUSTRIAL DEVELOPMENT

4.1. Historical background of industries

4.2.1. Classification of industries according to activities :

- manufacturing industries + examples
- Mining industries + examples
- Construction industries + examples
- Electricity, gas HO₂ industries + examples

4.2.2. Classification of industries according to ownership

- Private
- Public

4.3. Geographical location of industries in Rwanda

4.4. The role of industries on Rwandan economy

4.5. Obstacles of industrial development in Rwanda

4.6. Prospects of industrial development in the country.

CHAPTER 5: POPULATION AS A HUMAN RESOURCE

- 5.1. Population theories (Malthusian)
- 5.2. The concept of over population and under population
- 5.3. Population structure of Rwanda
- 5.4. Population distribution in the country
- 5.5. Effects of increasing population on Rwandan economy,
- 5.6. Population policy in general

example : on Rwanda : - ONAPO

- ARBEF

- 5.7. Manpower problems in developing countries. Then case study on Rwanda.

CHAPTER 6: DEVELOPMENT PLANNING

- 6.1. Definition of development planning
- 6.2. The need for planning
- 6.3. Types of plans
- 6.4. Characteristics of a good plan
- 6.5. Problems of development plans in developing countries
- 6.6. Development planning in Rwanda

CHAPTER 7: PRIVATE, PUBLIC, PARASTATALS AND NON-GOVERNMENTAL ORGANISATIONS

- 7.1. Private sector
- 7.2. Public sector
- 7.3. Parastatal enterprises
- 7.4. Problems of public enterprises and parastatal organisations
- 7.5. Privatisation
- 7.6. N.G.Os and their roles in Rwanda

VII: EVALUATION APPROACH

It is hoped that for a continued existence and teaching of economics subjects, there is a need to have a regular assessment so as to permit testing of the acquired knowledge for its proper consolidation.

In order to achieve the set objectives teachers are requested to prepare exercises, home work, individual tasks, group work and tests.

The last two secondary school levels after tronc-commun it is wished that a student should be initiated with the ability of writing good essays on economics topics.

METHODOLOGY

This teaching programme for economics is designed purposely basing on the profile of a student in the section of Humanities, So different chapters selected here in, follow the logical coherence of economical facts, for example ranging from Micro-Economies to Macro Economies.

Economics teachers in the country as one of the methods should not forget to teach the subject delivering relevant local examples from the students own society.

For proper imparting of the subject matter in economics, a teacher should apply “the child-centred method” or open discussion on controversial topics especially in upper classes.

In order to ensure the mastery and grasp of the studied material a teacher is asked to give exercises at the end of each chapter.

The teaching of economics has been conducted theoretically and yet it is a practical subject, therefore a teacher and his/her students should exploit their local environment by visiting different fields and get exposed to the practical part of the subject.

VIII: RECOMMENDATIONS

For a successive harmonised teaching programme for economics in this country, the committee recommends the following :

- 1) Recruitment of professional and specialist teachers of economics should be given a priority.
- 2) Seminars and workshops pertaining to the development of the country's economy should be conducted.
- 3) Policy documents carrying current information of economics should be availed to teachers

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