

YEAR 12 AL-ECO-1 - ECONOMICS

Week 25 (Term 2) (14th February to 18th February)

Zoom link for the class will be shared on the Google classroom.

Topic : Information Gaps , Government Intervention in markets

L.O.:

- To understand the concept of asymmetric information
- To explain how information gaps leads to market failure
- To explain how asymmetric information causes Principal agent problems, adverse selection and moral hazard.
- To understand the different ways of correcting market failure by government.

Learning Outcomes:- Students will be able to

- Define the concept of asymmetric information
- Describe how information gaps leads to market failure
- Analyse how asymmetric information causes Principal agent problems, adverse selection and moral hazard.
- Explain the different ways of correcting market failure by government.
 - Indirect Taxes
 - Subsidies

<p>Sunday – 14/02/21</p> <p>8th Period – Zoom</p>	<p><i>Teacher Input/ Activity:</i></p> <ul style="list-style-type: none">• PPT on Information Gaps• Define the concepts of private costs , private benefits, social costs, social benefits• Explain how externalities are created when social costs and benefits differ from private costs and benefits <p>Homework:- Question 1and 2 (Page 83, 86)</p> <p><i>Resources:</i> Device, Notebook, Textbook, Stationary</p>
<p>Monday – 15/02/21</p> <p>1st Period and 2nd– Zoom</p>	<p><i>Teacher Input/ Activity:</i></p> <ul style="list-style-type: none">• PPT on Information Gaps<ul style="list-style-type: none">• Analyse how asymmetric information causes Principal agent problems, adverse selection and moral hazard.• PPT on Government Intervention in Markets<ul style="list-style-type: none">• Diagrammatically explain how government can correct market failure by imposing indirect taxes• Diagrammatically explain how government can correct market failure by the provision of subsidies.• Homework:- Data response Question (Page 88) <p><i>Resources:</i> Device, Notebook, Textbook, Stationary</p>