

## Achievement Standard

**Subject Reference** Economics 2.1

**Title** Analyse inflation using economic concepts and models

**Level** 2      **Credits** 4      **Assessment** External

**Subfield** Economic Theory and Practice

**Domain** Economics

**Status** Registered      **Status date** 17 November 2011

**Planned review date** 31 December 2014      **Date version published** 17 November 2011

This achievement standard involves analysing inflation using economic concepts and models.

### Achievement Criteria

Achievement	Achievement with Merit	Achievement with Excellence
<ul style="list-style-type: none"> <li>Analyse inflation using economic concepts and models.</li> </ul>	<ul style="list-style-type: none"> <li>Analyse inflation in depth using economic concepts and models.</li> </ul>	<ul style="list-style-type: none"> <li>Analyse inflation comprehensively using economic concepts and models.</li> </ul>

### Explanatory Notes

- 1 This achievement standard is derived from the first Level 7 Economics achievement objective of the Social Sciences learning area in *The New Zealand Curriculum*, Learning Media, Ministry of Education, 2007 and is related to the material in the *Teaching and Learning Guide for Economics*, Ministry of Education, 2010 at <http://seniorsecondary.tki.org.nz>.

Further clarification of the knowledge, concepts and skills relevant to this achievement standard can be found in the *Teaching and Learning Guide*.

- 2 *Analyse inflation* involves:
- identifying, defining or describing inflation concepts
  - providing an explanation of causes of changes in inflation using economic models
  - providing an explanation of the impacts of changes in inflation on various groups in New Zealand society.

*Analyse inflation in depth* involves:

- providing a detailed explanation of causes of changes in inflation using economic models

- providing a detailed explanation of the impacts of changes in inflation on various groups in New Zealand society.

*Analyse inflation comprehensively* involves:

- analysis of causes of changes in inflation by comparing and/or contrasting their impact on inflation
- analysis of the impacts of changes in inflation by comparing and/or contrasting the impact on various groups in New Zealand society
- analysis by integrating changes shown on economic models into detailed explanations.

3 *Inflation* refers to the issues associated with changes in the general level of prices.

4 *Economic concepts* are selected from:

- inflation, disinflation, deflation
- business cycle
- cost-push and demand-pull inflation
- real versus nominal indicators.

5 *Models* are selected from:

- the quantity theory of money
- the Aggregate Supply and Aggregate Demand (AS/AD) model (an understanding of how to derive the AS and AD curves is not required).

6 Assessment Specifications for this achievement standard can be assessed through the Economics Resources page found at <http://www.nzqa.govt.nz/qualifications-standards/qualifications/ncea/ncea-subject-resources/>.

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### Replacement Information

This achievement standard replaced AS90794 and unit standard 5861.

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### Quality Assurance

- 1 Providers and Industry Training Organisations must have been granted consent to assess by NZQA before they can register credits from assessment against achievement standards.
- 2 Organisations with consent to assess and Industry Training Organisations assessing against achievement standards must engage with the moderation system that applies to those achievement standards.

Consent and Moderation Requirements (CMR) reference

0233