

PREPARATION

Make your revision active and try different study approaches.

Use active learning strategies for revision

- Revise with other students. (Be careful, however, of turning the study session into a party!).
- Ask yourself, what are the main ideas of the subject?
- What was the subject trying to teach me?
- What were the main topics and what do they have in common?
- What were the sorts of questions the lecturers asked in the subject?
- Write outlines for probable questions.
- Answer and test yourself on these questions.
- Test your memory.
- Make summaries of your notes.
- Try using visual memory aids eg., flow charts, diagrams, mind maps, pictures, highlights...Colours are particularly helpful to stimulate the memory.

What do you know about the exam?

- Information about the exam is usually found in course outlines and handouts.
- Lecturers will often give details in lectures.
- Former students might tell you about their experience.
- Find out about the format of the exam. Is it open book, essay, case study, multiple choice format...?
- How many questions are there? Will you have a lot of choice?
- Can you access old exam papers?
- Using old exam papers for practice will give you an idea of the format and help you to allocate time.
- Find out where and when the exam will be held, and the length of time.
- Find out what resources you can take to the exam, and what equipment you need.

ANXIETY

Everyone finds exams stressful.

Attitude

- Use your nervousness as a motivation to do some preparation.
- Tell yourself that this is only a test—there will be others.
- Be positive about yourself.

- Look after your health.
- Get plenty of sleep, eat properly and exercise.
- Vary your work and take breaks.

On the day

- Avoid coffee and cigarettes before the test.
- Do something relaxing and interesting in the hour before the test—last minute cramming will not help.
- Avoid meeting with students who make you feel nervous.
- Arrive at the test location early—choose a seat away from distractions.
- Think of a reward you can enjoy after the test.
- Say to yourself ‘I will worry later, now I will put my energy into this test’.
- Calm yourself, by tensing the muscles throughout your body, then relaxing them. Take deep slow breaths.

DURING THE EXAM

Relax

You have done the preparation and revised the relevant sections. Now, you can focus your energy on doing the tasks to the best of your ability.

Before you start writing

- Check your comfort. If there is glare from sunlight, or a draught is making you cold, ask to move.
- Synchronise your watch to the clock.
- Do you have enough paper and pens?

Reading time

- Use this time to read the directions carefully.
- How many questions do you need to answer?
- Do you need to answer these in a particular order?
- Are the questions arranged in sections?
- Are there compulsory questions?
- What is the value of each question?
- How are you expected to answer? (eg., a word, a number, an explanation, an essay?)
- Where should you write your answers?

Answering the questions

- If there is a choice, tick those you can do.

- To help your confidence, do the easiest questions first.
- Number your answers correctly and clearly.
- If you get a memory block try to recall other facts related to the point. If your memory still fails, return to the question later.

Written answers

- Underline the key words.
- Make a quick outline.
- Don't exceed the word limit.
- Check your time allocation.
- You are better to answer all the questions you are required to do, rather than to do an excellent job on some and not have enough time to do the others.
- If you run out of time, write notes.

Objective answers eg., True/False, Multiple choice

- Use the response method required, eg., tick, circle... (This is especially important if the test is scored by computer)
- Read all the possible answers. Even if you think one is correct, there could be another one that is better.
- Answer all the questions, even if it means guessing, unless marks are deducted for incorrect answers.
- If you are really unsure about all the answers, choose the longest. It is often difficult for examiners to write a correct idea in only a few words.
- Answer questions as you come to them. If you are unsure about a question, write what you think is most likely and mark it so that you can return to it later. Remember you might not have enough time to return to unanswered questions.
- Be careful about changing your mind, first answers are usually correct.
- In general, avoid extreme answers, eg., If you were asked to choose the population of New Zealand, and the options were (a) 2.5 million, (b) 3.6 million, (c) 5.3 million, (d) 32 million, you would reject (e) because it is much larger than the others.
- Avoid answers which have unfamiliar terms. These can mislead you into thinking it must be right because it is 'technical'.

Numerical problems

- Write down any formulae as soon as you can.
- Write something in answer to every question. Stating part of the formula might get you a mark.
- If the problem is complex, determine the order of the steps.
- Check your accuracy.

👉 Finally

Rather than leave the room before the time is up:

- Use the time to check your answers.
- Have you answered all the questions?
- Check your grammar and spelling.

GOOD LUCK!

IV ELEMENTARY ECONOMIC TERMS

As a student of economics, one should be very much familiar with the basic economic concepts which are frequently used in real life and in economic theory. The understanding of these concepts will surely make one's knowledge on economics more clear and provide analytical depth on the subject. The important concepts are explained as under.

Human wants: Generally the term 'want' means a desire for a thing. We use words want and desire synonymously. But in economics, desire means a wish to obtain something, whereas want is an effective desire for a thing, which can be satisfied by making an effort for obtaining it. For instance, we desire to have a good house or a car or a personal computer, but these would become wants only when we do some effort like earning an income in order to obtain those goods.

Necessities: These are wants for certain goods which are essentially required by human beings for their existence. For example, food, clothing and shelter are necessities of life.

Comforts: Goods which provides ease and happiness to the people are called comforts. For example, a spacious house to live in makes one's life comfortable.

Luxuries: Wants, which are highly expensive and are intended to show one's wealth and power, are called luxuries. For example, highly priced jewellery, cars, air-conditioners etc.

Consumption: The act of using goods and services to satisfy our wants are termed as consumption. For example, when we are thirsty, we desire to have a cold glass of water and once we take in, it is said that our want that is thirst, has been satisfied. This is consumption.

Utility: It is the power of a good to satisfy human wants. For example, cooked rice has the power to satisfy hunger. Students of economics are satisfied by reading books on economics. Thus, we say, cooked rice has the utility. We must note that utility is a subjective entity/thing. It cannot be measured in quantitative terms. It can only be felt.

Production: Production is an activity of making goods and providing services. In fact, production is the creation of utility. When we make a thing useful, it is production. For example, a baker makes bread out of flour. Thus, flour cannot satisfy our want directly unless it is turned into bread or making it more useful which will directly satisfy our wants. Similarly, the services of lawyers, teachers, doctors, barbers etc are called production as these also satisfy our wants.

Goods: These are tangible or material things which satisfy our wants. These are also called commodities. For example, bread, car, pen, book etc are all goods which are used to satisfy one's want. There is a time gap between the production and consumption of goods. A car cannot be used unless it is completely manufactured. Thus it takes a lot of time to produce a car and it is consumed only when it comes in the market.

Services: These are intangible or non-material things which also satisfy our wants. For example, service of a teacher, doctor, transport company, bankers, services of a barber etc. Services are produced and consumed at the same time. As such there is no time gap between production and consumption of services. For example, students consume the services of a teacher when the latter delivers a lecture to them.

Factors of production: Factors of production are the agents or productive resources which supply their services and help in the production of goods and services. They are also called factor-inputs or primary inputs. The four factors of production are land, labour, capital and organization/management or entrepreneur.

Land: Land in economics refers to all gifts of nature such as upper surface of earth, forests, minerals, water bodies, air etc. When we use land we have to pay a price called rent to their owners. These are also called as natural resources.

Capital: Generally, by capital we mean money or securities. In economics, capital is not money but man made things such as machinery and equipments, factory buildings and other physical necessities which are used for further production of goods and services. For using capital, one has to pay interest.

Entrepreneur: An entrepreneur is one who coordinates the act of production. He takes major decisions of a business. The important functions they do are bear risk and uncertainty involved in business. The reward an entrepreneur gets is called profit.

Labour: It means any type of human effort—physical or mental—involved in the production process. For example, an accountant, business executive, a mason etc. Labour does not mean to a worker but to his effort which he can put in the production of goods and services.

Wealth: Wealth means stock of all those assets which earn income. It includes physical and financial assets or capital such as bonds, shares etc and also paper money, coins, deposits with banks. National wealth includes both man made assets and natural resources.

Price: The price of a commodity is the amount or unit of money that has to be paid to get this commodity. Thus, if price of a computer set is Rs. 20000, then it means we have to pay Rs. 20000 to get it. Price of a commodity is generally determined by market forces of demand and supply. But sometimes, government may fix price of certain commodities.

Value: Value can be viewed in two angles. First, value-in-use, which means consumption value of a commodity. Second, value-in-exchange which relates to market value of a commodity. It is the rate at which a particular good or service can be exchanged for others.

Income: It is the flow of goods and services over a particular period of time. Income is expressed in money terms, such as a person earning a monthly income of Rs. 20000 per month.

Saving: Saving refers to the part of income which is not spent on consumption. Thus, if a person earns an income of Rs. 20000, and he spends on consumption Rs. 12000, then saving is Rs.8000.

Investment: Investment, in common parlance, means buying a stock or bond. But in economics, it refers to construction of capital goods. In other words, it is the act of production resources for the production of investment goods. It is also known as capital formation.

Welfare: Welfare refers to a state of well being or a sense of satisfaction and happiness. One's sense of well being is affected by a lot of factors such as consumption of goods and services, family relations, law and order etc.