

Economics

Curriculum Structure

The curriculum framework and content are developed on the basis of the Secondary 4 - 5 Economics curriculum implemented in 2003, with a suitable restructuring of topics, broadening of coverage and increased depth.

Economics provides an interpretive framework for students to see the world in a more systematic way. This will equip learners with a range of tools of analysis through which they can comprehend realities better. With the addition of some normative issues in the curriculum, empathy, sensitivity and multi-perspective thinking of learners can be more readily enhanced. The preparation for future challenges can be more effectively achieved.

The components, concepts and tools of analysis in this curriculum are outlined below:

- (a) This curriculum comprises two parts. The Compulsory Part covers basic concepts and topics in microeconomics and macroeconomics. The Elective Part, which constitutes 10% of curriculum time, comprises two parts from which students choose one. The Elective Part includes elements that call for extended analysis and broader economic knowledge. It provides an opportunity for students to choose an area of study related to their aptitudes and interests.
- (b) The senior secondary Economics curriculum incorporates microeconomic core concepts and skills for the analysis of choice, such as cost and value, production and consumption. Specialisation as the basis for trade is discussed. Marginal analysis is introduced in the topic on firms and production, although the treatment is very elementary. Price mechanism as one of the most important resource allocation mechanisms is introduced. Efficiency is then discussed so that students can have a more in-depth understanding of real-world issues with the help of the concepts of consumer and producer surplus. Equity, a concern that surfaces in many real-world issues, is then introduced through the discussion of income inequality. This concept is useful for the analysis of cases, social problems and controversies. The framework of analysing choice is central to the microeconomic topics of this curriculum, and how a social system influences human behaviour through the shaping of incentives is embedded in this framework.
- (c) The performance of the economy has impact on the individual. This curriculum prepares students to understand the macroeconomy. To achieve this, elementary macroeconomic models and tools are introduced. For the analysis of aggregate economic performance, the AS-AD approach is adopted. Students can use this tool to

study factors affecting short term economic fluctuations and the effects of government policy on the economy. Also, the Quantity Theory of Money is brought in to explain inflation. The inclusion of these explanatory tools enables students to analyse the macroeconomy more comprehensively. Finally, the theory of comparative advantage is introduced to explain gains from trade.

- (d) As for the Elective Part, Part 1 extends students' understanding of the topic on monopoly by introducing more advanced analytical tools, and broadens students' knowledge about competition policy. Part 2 extends students' understanding of trade theory with the use of production possibilities frontier, and broadens their knowledge about economic growth.

The Compulsory Part and Elective Part of the curriculum are described below ²:

Suggested Time Allocation

| | Topic | Suggested lesson time (hours) |
|------------------------|---|-------------------------------|
| Compulsory Part | A Basic Economic Concepts | 12 |
| | B Firms and Production | 30 |
| | C Market and Price | 32 |
| | D Competition and Market Structure | 8 |
| | E Efficiency, Equity and the Role of Government | 18 |
| | F Measurement of Economic Performance | 12 |
| | G National Income Determination and Price Level | 16 |
| | H Money and Banking | 18 |
| | I Macroeconomic Problems and Policies | 30 |
| | J International Trade and Finance | 18 |
| Elective Part | Elective Part 1: Monopoly Pricing, Anti-competitive Behaviours and Competition Policy; OR Elective Part 2: Extension of Trade Theory, Economic Growth and Development | 22 |
| | Sub-Total | 216 |
| | Conducting activities to facilitate students' learning of Economics such as integrating and applying contents of various topics to enquire into daily-life and economic phenomena | 34 |
| | Total | 250 ⁷ |

MODE OF ASSESSMENT

The following table outlines the various components of the public assessment of Economics in 2022 HKDSE:

| Component | | | Weighting | Duration |
|--------------------|---------|---|-----------|--------------------------|
| Public Examination | Paper 1 | Multiple-choice questions will be set on the compulsory part of the curriculum. All questions are compulsory. | 30% | 1 hour |
| | Paper 2 | Section A: Short questions will be set on the compulsory part of the curriculum. All questions are compulsory. | 26% | 2 hours 30 minutes |
| | | Section B: Structured/essay-type/data response questions will be set on the compulsory part of the curriculum. All questions are compulsory. | 35% | |
| | | Section C: Structured/essay-type questions will be set on the elective parts of the curriculum. Candidates are only required to attempt the questions from one of the two elective parts. | 9% | |

PUBLIC EXAMINATION

The written examination of Economics will contain questions testing candidates' knowledge and analytic ability in the fundamental and selected areas of economics, and those testing higher order thinking skills. Candidates should be able to apply their knowledge of economic analysis to practical problems and illustrate general principles with relevant examples.

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