

St. Joseph's College
Scheme of Work : A- Level Economics

Topics Micro : Topics 1 - 7 Macro : Topics 8 - 11	Contents / Outline	Periods Needed	Reference Materials For Students &/Or Teachers	Remarks
1 Introduction & Basic Concepts	I Nature of economics - definition, contents, scope. II Economic systems. III Some basic concepts.	16	* Brief introduction of some great economists. * Newspaper extracts on basic concepts. * Paul Heyne, <u>The Economic Way of Thinking</u> . Chapters 1 & 4. * Awh R., <u>Microeconomics. Theory & Applications</u> , Ch. 1.	
2 Demand & Supply Analysis	I Basic postulates of human behaviour. II Concept of demand, demand function & curve. III Concept of supply, supply function & curve. IV Concepts of equilibrium & elasticity. V Market intervention & disequilibrium.	16	* Steven E. Landsburg, <u>Price Theory & Applications</u> Chapter 1. * Paul Heyne, Chapter 2.	Tutorial 1 Assignment 1
3 Consumer Theory	<u>Unit 1 : The Utility Theory</u> I Introduction. II The two approaches in the utility theory. III The relevant concepts in consumer theory. <u>Unit 2 : The MUV Approach In Consumer Theory</u> I Basic concept of use value. II The MUV curve & ordinary demand curve. III Consumer's surplus revisited. IV Criticism of the utility (ordinal) theory. <u>Unit 3 : Market Exchange & Efficiency</u> I Functions & implications of price. II Functions of market. III Concept of exchange and efficiency.	32 24 16	* Newspaper extracts on price, exchange and efficiency. * Awh R., Chapters 3 & 4. * Baumol & Blinder, <u>Economics : Principles & Policy</u> Chapter 18. * Glahe & Lee, <u>Microeconomics. Theory & Applications</u> Chapter 4. P. 118 - 121. * Culyer A. J. <u>Economics</u> Chapters 5 & 8.	1st Quarterly Test Tutorial 2 Assignment 2 Assignment 3 Half-Yearly Exam.

Topics	Contents / Outline	Periods Needed	Reference Materials For Students	Remarks
6 Factor Market	<p><u>I Unit 4 : Interest & Capital</u></p> <p>I Concept of capital & investment. II Meaning & existence of interest. III Employment decision of firms. IV Determination of interest rate. V Interest differentials. VI Investment on human capital.</p> <p><u>Unit 5 : Profit & Entrepreneur</u></p> <p>I Nature of Firm. II Concept of profit & role of entrepreneur.</p>	16 8	<ul style="list-style-type: none"> * Culyer A. J., <u>Economics</u> (on present value). * Paul Heyne. Chapter 11. P. 224 - 229. (On profit, interest & cost). * Extracts from H. K. Economic Journal Monthly. 1992 Nov. Issue P. 49 - 51. (On human capital investment) <ul style="list-style-type: none"> * A summary of :- <u>S. Cheung, The Contractual Nature of The Firm.</u> <u>R. Coase, The Nature of Firm.</u> 	Assignment 6
7 The Problem of Social Cost	<p>I Introduction. II Externality. III Solutions to externality. IV Public goods & economic efficiency : Pareto Optimum. V Common property resources.</p>	24	<ul style="list-style-type: none"> * Newspaper extracts on property rights, externality, transport and airport. * S. Cheung, The Story on Lighthouse. 	Assignment 7 Final Examination
Total Periods Needed (Microeconomics)		234		

Topics Macro : Topics 8 - 11	Contents / Outline	Periods Needed	Reference Materials For Students	Remarks
8 National Income	<p><u>Unit 1 : National Income</u></p> <p>I Concepts & meaning of GNP. II Approaches & formulae. III Measurement of GNP. IV Economic analysis of GNP. V Public Finance & Fiscal Policy</p> <ul style="list-style-type: none"> 1 Concept of The budget finance. 2 Taxation. 3 Budget & Fiscal Policy. 4 Aggregate macroeconomic model. <p><u>Unit 2 : Inflation</u></p> <p>I Definition. II Types/Various degrees of inflation. III Measurement of inflation. IV Effects and causes of inflation.</p>	34	<ul style="list-style-type: none"> * Transparencies on approaches of GNP. * Newspaper extracts on GDP, GNP. * R. Waud, <u>Macroeconomics</u>. P. 180-197. * Main & Baird, <u>Macroeconomics</u>. P. 130 - 133. (On the paradox of thrift) * Stanlake G. F., <u>Macroeconomics . An Introduction</u>. Chapters 3 & 4. * Relevant data from G.I.S. publications. <ul style="list-style-type: none"> * Newspaper extracts on the budget of H.K. * The budget (G.I.S. publications). * The H.K.CER Letters (various issues). 	Assignment 1

9 Money & Banking	I Nature & functions of money. II Money demand. III Money supply. IV Commercial banks & credit creation. V Central bank & monetary policy.	30	* Newspaper extracts on HKMA and central bank. * H.K. Economic Report (HK Bank publications). * Peebles Gavin, <u>The H.K. Economy</u> (P.140 - 149) * Main & Baird. P. 125-137. * Froyen R.T., <u>Macroeconomics. Theories & Policies</u> . P. 61 - 67. * Yam, Joseph, <u>Central Banking & Monetary Policy in H.K.</u>	Assignment 2
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Topics	Contents / Outline	Periods Needed	Reference Materials For Students	Remarks
8 National Income	Unit 4 : The IS - LM Model I The basic aim of the model. II The basic analytic model of national income. III The IS-LM curves & AD, AS curves.	36	* Froyen selected from Chapters 8 - 12. * Newspaper extracts on money supply.	Assignment 3
10 Theory of Unemployment	I Introduction. II Search theory of unemployment. III Unemployment and inflation : Phillips curve.	8	* H.S. Economic Monthly (various issues). * Newspaper extracts. * HK CER Letters (HK CER publications).	
11 International Trade	I Introduction. II Principles of exchange. III International finance. IV Trade policy & fiscal policy. V Free trade VS protectionism : trade barrier.	28	* H.S. Economic Monthly (various issues). * H.K. Economic Report (HK Bank publications). * Newspaper extracts. * Peebles, Gavin. Chapter 5.	Revision Assignment
Total Periods Needed (Macroeconomics)		144		
Total Periods Needed (Micro. & Macro.)		$234 + 144 = 378$		

