

Comparison between HKDSE and International A-level - Economics

The Edexcel International Advanced Level in Economics comprises four units. Based on experience here at ITS Education Asia, HKDSE syllabus overlaps with 80% of Unit 1, 70% of Unit 2, 50% of Unit 3 and 30% of Unit 4. A breakdown is listed below on the areas that are in International A-level, but not in the HKDSE syllabus.

In regards to the assessment methods of IAL exam, ITS would suggest HKDSE students to work on data response questions in all units, multiple choice questions that require explanation in unit 1 and unit 2 and long essay questions in unit 3 and unit 4, as those techniques are not honed in the HKDSE system.

If you have further enquiries, please contact ITS at +852 2116 3916 or by email at info@itseducation.asia. ITS Education Asia is a full Edexcel academic centre in Hong Kong (Centre Number 92885). Further consultation is completely free of charge. You might also refer to the following FAQ page from ITS Education Asia <http://www.itseducation.asia/UK-faqs.htm>

Outstanding topics in IAL and not in the HKDSE

Unit 1 : Markets in Action	
Elasticity	Income Elasticity of Demand
	Cross Elasticity of Demand
Market Intervention	Buffer Stocks
Market Failure	Information Asymmetry
	Commodity markets
	Labor Markets

Unit 2 : Macroeconomic Performance and Policies	
Unemployment	Cyclical Unemployment
	Structural Unemployment
	Frictional Unemployment
Government Policies	Multiplier effect
	Interventionist Supply-side
	Market-Oriented Supply-side
Monetary policies	Economic effects of household debt

Unit 3 : Business Behaviors (assuming student has completed Elective Part 1 in DSE)	
Perfect Competition	Graphical illustration
	Profit dissipation
Monopoly	Natural Monopoly
	Economies of Scales argument for Monopoly
Oligopoly	Interdependency and Game Theory
	Price Rigidity & Kinked Demand
	Non-price competition
	Collusion
	Price Wars
Monopolistic Competition	Short Run equilibrium
	Long Run equilibrium
Alternative business objectives	Revenue Maximization
	Sales Maximization
	Welfare Maximization
Contestability	Contestable markets
Government intervention	Policies to increase competition
	Policies to increase contestability

	Policies to deter anti-competitive behaviors
	Public-Private partnership
	Nationalization

Unit 4 : Development in Global Economy (assuming student has completed Elective Part 2 in DSE)	
Advanced Government policies	Automatic built-in stabilizers
	Accelerator Effect
	Crowding out effect
	Quantitative easing & liquidity trap
Protectionism	Use of subsidies (diagram)
	Administrative obstacles
	Voluntary Export Restraints
	Product standards requirements
Economic Integration	Preferential Trade Agreement
	Free Trade Area
	Customs Union
	Common Market
	Currency Union
Barriers to Economic Development	Political
	Social
	Financial
Strategies to Economic Development	Government-guided
	Market-Led
	Other Strategies

New Skills for taking IAL Exam

Unit 1 & 2	
Multiple Choice	Supporting explanation for answers
Data Response Questions	Long extended Stimulus
	Data interpretation and Analysis
	Extended response questions

Unit 3 & 4	
Essay Response	Long essays
Data Response Questions	Long extended Stimulus
	Data interpretation and Analysis
	Extended response questions

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