

Economics supplies no formula sheet, and its recall load has two halves. The first is a short list of calculations that appear in the data-response paper. The second, and larger, is the set of diagrams that must be drawn accurately from memory: an essay that describes a diagram it cannot draw is capped several marks below one that draws it. 无公式表; 除少量计算外, 更重要的是必须能准确默画各类图形。

Calculations that appear in the data-response paper

Price elasticity of demand 需求价格弹性 — percentage change in quantity demanded ÷ percentage change in price. The answer is negative; quote it and then discuss its magnitude. Above 1 in size is elastic.

Income elasticity of demand 需求收入弹性 — percentage change in quantity ÷ percentage change in income. Negative means an inferior good, above 1 means a luxury – the sign and the size carry different meanings and both are examined.

Cross elasticity 交叉弹性 — percentage change in quantity of A ÷ percentage change in price of B. Positive means substitutes, negative means complements.

Price elasticity of supply 供给价格弹性 — percentage change in quantity supplied ÷ percentage change in price; larger when spare capacity exists and when more time has passed.

Index numbers and real values 指数与实际值 — Real value = nominal value × (base-year index ÷ current index). An index of 125 means a 25 per cent rise since the base year, not 125 per cent.

The multiplier 乘数 — $k = 1/(1 - MPC)$, or equivalently $1/MPW$ where the withdrawals are savings, taxes and imports. A larger propensity to import means a smaller multiplier.

Costs and revenue 成本与收益 — Average cost = total cost ÷ output; marginal cost is the change in total cost from one more unit; profit is maximised where marginal cost equals marginal revenue.

Percentage change and per capita 百分比变化与人均 — Always state the base you divided by. Real GDP per capita is real GDP divided by population, and a rise in GDP with faster population growth is a fall per capita.

Microeconomic diagrams you must be able to draw

Supply and demand with a shift, showing the new equilibrium and both axes labelled with price and quantity – the foundation of half the paper.

Maximum and minimum price controls, with the resulting shortage or surplus clearly marked as a horizontal gap between the two curves.

An indirect tax or a subsidy as a vertical shift, with the incidence split between consumer and producer shaded separately.

Consumer and producer surplus, and the deadweight loss triangle after an intervention.

Negative and positive externalities, showing marginal private cost against marginal social cost, the welfare loss triangle, and the socially optimal output.

The cost curves: average total cost, average variable cost and marginal cost, with marginal cost cutting each average at its minimum.

Perfect competition in short-run supernormal profit and in long-run normal profit; monopoly with the profit rectangle; and a monopoly compared with the competitive outcome.

Macroeconomic diagrams you must be able to draw

Aggregate demand and aggregate supply, with the Keynesian and the classical long-run supply curves drawn correctly – the horizontal, upward and vertical segments each mean something different.

The production possibility curve, showing opportunity cost, unemployment inside the curve, and growth as an outward shift.

The circular flow with injections and withdrawals labelled.

The Phillips curve, short and long run, and the effect of an expectation change.

The Lorenz curve with the Gini coefficient as the ratio of areas.

Comparative advantage as an output or input table with the opportunity-cost ratios computed underneath.

What earns diagram marks

Label both axes with the variable AND its unit, label every curve, and mark the equilibrium with dotted lines to both axes. An unlabelled axis loses the mark however correct the shape is.

Show the shift with an arrow and label the new curve, then identify the new equilibrium price and quantity explicitly. A diagram with two curves and no indication of which moved is not an analysis.

Refer to the diagram in the prose: “as Figure 1 shows, the price rises from P1 to P2”. Examiners award the link between the diagram and the argument, not the diagram alone.

Every evaluation needs a stated condition: it depends on elasticity, on the time period, on the state of the economy, or on the size of the multiplier. Name which, and say why it changes the conclusion.