

International Baccalaureate Diploma Programme Subject Brief

Individuals and societies: Economics—standard level

First assessments 2022

The IB Diploma Programme (DP) is a rigorous, academically challenging and balanced programme of education designed to prepare students aged 16 to 19 for success at university and life beyond. The DP aims to encourage students to be knowledgeable, inquiring, caring and compassionate, and to develop intercultural understanding, open-mindedness and the attitudes necessary to respect and evaluate a range of viewpoints. Approaches to teaching and learning (ATL) are deliberate strategies, skills and attitudes that permeate the teaching and learning environment. In the DP, students develop skills from five ATL categories: thinking, research, social, self-management and communication.

To ensure both breadth and depth of knowledge and understanding, students must choose six courses from six distinct groups: 1) studies in language and literature; 2) language acquisition; 3) individuals and societies; 4) sciences; 5) mathematics; 6) the arts. Students may choose to replace the arts course with a second course from one of the other five groups. At least three, and not more than four, subjects are taken at higher level (240 recommended teaching hours), while the remaining are taken at standard level (150 recommended teaching hours). In addition, three core elements—the extended essay, theory of knowledge and creativity, activity, service—are compulsory and central to the philosophy of the programme.



These DP subject briefs illustrate the key course components.

- I. Course description and aims
- II. Curriculum model overview

I. Course description and aims

Economics is a dynamic social science. The study of economics is essentially about dealing with scarcity, resource allocation and the methods and processes by which choices are made in the satisfaction of human wants. As a social science, economics uses scientific methodologies that include quantitative and qualitative elements.

The DP economics course emphasizes the economic theories of microeconomics, which deal with economic variables affecting individuals, firms and markets, and the economic theories of macroeconomics, which deal with economic variables affecting countries, governments and societies. These economic theories are not studied in a vacuum—rather, they are to be applied to real-world issues through the prism of nine concepts: scarcity, choice, efficiency, equity, economic well-being, sustainability, change, interdependence and intervention.

The new integrated subtopics of Economics of the environment, Economics of inequality and poverty help to bring to light the main global challenges facing the planet today and how these can be addressed using an Economics lens.

The aims of the DP economics course are to enable students to:

- develop an understanding of microeconomic and macroeconomic theories and concepts and their real-world application
- develop an appreciation of the interrelationships of economic theories and models through the nine key concepts
- develop an awareness of current economic issues facing nations

II. Curriculum model overview

| Component | Recommended teaching hours |
|--|----------------------------|
| Unit 1: Introduction to Economics 1.1 What is economics? 1.2 How do economists approach the world? | 10 |
| Unit 2: Microeconomics 2.1 Demand 2.2 Supply 2.3 Competitive market equilibrium 2.4 Elasticity of demand 2.5 Elasticity of supply 2.6 Role of government in Microeconomics 2.7 Market failure – Externalities 2.8 Market failure – Public goods | 35 |
| Unit 3: Macroeconomics 3.1 Measuring economic activity and illustrating its variations 3.2 Variations in economic activity: aggregate demand and aggregate supply 3.3 Macroeconomic objectives 3.4 Economics of Inequality and Poverty 3.5 Demand management (demand side policies) – Monetary policy 3.6 Demand management – Fiscal policy 3.7 Supply side policies | 40 |

| | |
|---|-----------|
| Unit 4: The Global Economy 4.1 Benefits of international trade 4.2 Types of trade protection 4.3 Arguments for and against trade controls/protection 4.4 Economic integration 4.5 Exchange rates 4.6 Balance of payments 4.7 Sustainable development 4.8 Measuring development 4.9 Barriers to development 4.10 Economic growth and/or economic development strategies | 45 |
| Internal assessment Portfolio of three commentaries | 20 |

Assessment at a glance

| Type of assessment | Format of assessment | Time (hours) | Weighting of final grade (%) |
|--------------------|---|--------------|------------------------------|
| External | | 3 | 70 |
| Paper 1 | An extended response paper (25 marks) | 1.25 | 30 |
| Paper 2 | A data response paper (40 marks) | 1.75 | 40 |
| Internal | | | |
| Portfolio | Students produce a portfolio of three commentaries, based on different units of the syllabus (45 marks) | 20 | 30 |

Figure a: Updated overview of the Curriculum model

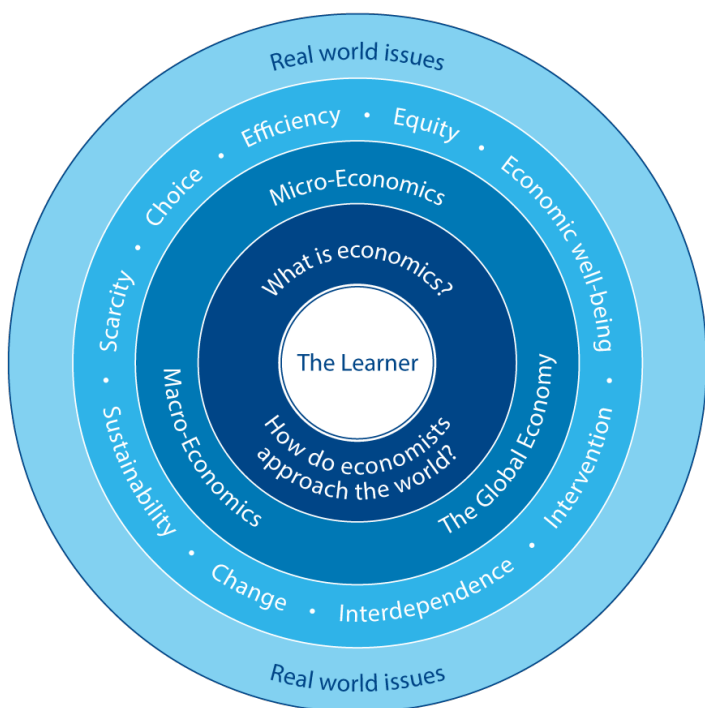
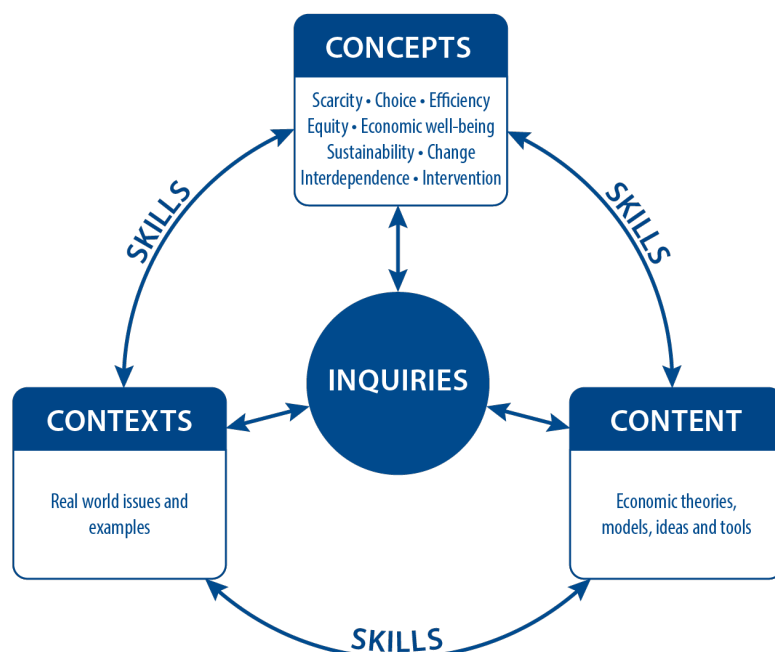


Figure b: The relationship between inquiry, concepts, content and contexts in economics



About the IB: For nearly 50 years, the IB has built a reputation for high-quality, challenging programmes of education that develop internationally minded young people who are well prepared for the challenges of life in the 21st century and are able to contribute to creating a better, more peaceful world.

For further information on the IB Diploma Programme, visit: www.ibo.org/en/programmes/diploma-programme/.

Complete subject guides can be accessed through the IB online curriculum centre (OCC) or purchased through the IB store: <http://store.ibo.org>.

For more on how the DP prepares students for success at university, visit: www.ibo.org/en/university-admission or email: recognition@ibo.org.