

Economics

The subject

Economics is a dynamic social science, forming part of group 3—individuals and societies. 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 IB Diploma Programme 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 never studied in a vacuum—rather, they are applied to real-world issues. Prominent among these issues are fluctuations in economic activity, international trade, economic development and environmental sustainability.

The ethical dimensions involved in the application of economic theories and policies permeate throughout the economics course as students are required to consider and reflect on human end-goals and values.

The teachers



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Economics and theory of knowledge

Students of group 3 subjects study individuals and societies. This means that they explore the interactions between humans and their environment in time and place. As a result, these subjects are often known collectively as the “human sciences” or “social sciences”.

As with other subject areas, there is a variety of ways in which to gain knowledge in group 3 subjects. For example, archival evidence, data collection, experimentation, observation, inductive and deductive reasoning can all be used to help explain patterns of behaviour and lead to knowledge claims. Students in group 3 subjects are required to recognize that the content and methodologies of the subjects in group 3 are contestable and that their study requires the tolerance of uncertainty.

Examples of discussion points that might be used in economic is for example

To what extent is economics value-free?

Are economic theories independent of culture?

What are the limitations of the use of diagrams and charts in economics?

What are the implications of economics being based, ultimately, on human psychology?

What are the roles played by abstract reasoning and concrete evidence in constructing economic theory?

To what extent should ideas of fairness and justice inform economic thinking?

Having followed a course of study in group 3, students should be able to reflect critically on the various ways of knowing and the methods used in human sciences, and in doing so, become the “inquiring, knowledgeable and caring young people” of the IB mission statement.

Economics and the international dimension

The economics course embodies global and international awareness in several distinct ways. Two of the four sections of the course are devoted to specific areas of economics that contribute to international awareness and understanding in section 3: international economics, and section 4: development economics. In addition, earlier topics in the course explore the ways in which different countries deal with common economic issues such as government intervention, market failure, sustainability, and achieving macroeconomic objectives. Inherent in the syllabus is a consideration of different perspectives, economic circumstances, and social and cultural diversity.

Economics seeks to develop international understanding and foster a concern for global issues, as well as to raise students’ awareness of their own responsibility at a local and national level. Economics also aims to develop values and attitudes that will help students reach a degree of personal commitment in trying to resolve these issues, appreciating our shared responsibility as citizens of an increasingly interconnected world.

Skills and toolkit (ATL)	Topics	Assessments objectives
<ul style="list-style-type: none">• Thinking skills• Communication skills• Social skills• Self-management skills• Research skills	<ul style="list-style-type: none">• Microeconomics• Macroeconomics• International economics• Development economics	<ul style="list-style-type: none">• Knowledge and understanding• Application and analysis• Synthesis and evaluation• Selection, use and application of a variety of appropriate skills and techniques.

Link to IBO subject brief

<https://www.ibo.org/globalassets/programme-information/dp/sl-economics-en.pdf>