

ST. JOSEPH'S INSTITUTION INTERNATIONAL MALAYSIA



Economics Handbook 2017-18

Why study Economics?

Economics is a Social Science: it uses scientific methodologies to study the workings of society. Anybody who takes an interest in the news and current affairs will find that the IB Economics course equips them to better understand, analyse and evaluate what they read and hear in the media.

Economics is basically about scarcity and choice and the ways in which resources are allocated to satisfy human wants. The IBDP Economics student learns how to identify the problems of choice and make reasoned decisions using both qualitative and quantitative tools of analysis, whether considering the individual, the country or the whole world. While figures, diagrams and models are tools in the study of Economics, the student must never lose sight of the fact that s/he is dealing with people and their wants and thus ethical considerations are an integral part of the subject. The course "encourages students to develop international perspectives, fosters a concern for global issues, and raises students' awareness of their own responsibilities at a local, national and international level. The course also seeks to develop values and attitudes that will enable students to achieve a degree of personal commitment in trying to resolve these issues, appreciating our shared responsibility as citizens of an increasingly interdependent world." (IB Guide)

No specific prior courses are needed to be eligible to study IB Economics; any student with a well-rounded educational background will be able to acquire the skills and knowledge of this course although the wide use of diagrams and figures does provide an obstacle to students who are mathematically challenged. The wide range of numeracy, literacy and graphical skills acquired in this course enable it to combine well with a number of other studies including the natural sciences and other social sciences. It provides a foundation for careers in planning and policy in either public or private sector.

Approaches to the study of Economics

The IBDP Economics course identifies four Assessment Objectives:

1. Knowledge and understanding: students should be able to demonstrate knowledge and understanding of basic economic theory and of current economic issues.
2. Application and Analysis: Economic theory learned in a vacuum is of limited value; students should be able to apply it to real world situations. They should be able to understand and interpret economic data.
3. Synthesis and Evaluation: beyond simply understanding theory and applying it to real world situations, the IBDP student should develop the skills of evaluation i.e. judging whether the theory is truly applicable in a given situation, identifying any shortfalls in the theory in this instance and suggesting alternative interpretations where appropriate. Thus the student learns how to construct and defend an argument.

4. Application of appropriate skills and techniques: students will learn to demonstrate their grasp of the subject by producing well-structured written material which uses appropriate terminology, relevant concepts and theories supported by well-drawn and labelled diagrams, relevant data support, logically argued analysis and valid interpretation and evaluation.

In all IBDP subjects, the student is required to take responsibility for his/her own learning. To be able to do this, a broad set of skills is needed. How these skills relate to Economics is outlined below:

Research skills - how to look up information and find things out for yourself in constructive ways, how to tell if information you have found is trustworthy and how to use information honestly. For example, you may want to research the arguments for and against climate change being due to human activities or research the measures which various governments have introduced which have aggravated or alleviated climate change.

Communication skills - this means expressing your knowledge, judgements and views clearly in both written and spoken arguments. In written work, this will also include the use of diagrams which illustrate and support your arguments. For example, an evaluation of the use of varied Government policies against unemployment would be supported by appropriate macroeconomic theory and diagrams.

Social skills - students will work in pairs or small groups for research and presentation tasks. In this context, students should collaborate fully while developing their own views of the situation.

Thinking skills - As in all IBDP subjects, thinking skills are required in every Economics lesson! Students must learn how to analyse, explain, evaluate, discuss, make links and see the "big picture".

Self-management skills - these are crucial to success in the IB DP, because you will be studying a lot of subjects and participating in many activities. You must be able to work independently, effectively and in an organised manner.

The acquisition of a range of different skills requires the use of a similarly broad range of teaching and learning approaches. The IBDP programme recognises these as:

Inquiry - you will be given some information by your teacher but will also be required to make your own enquiries, whether by simply asking questions in class or by researching entire topics by yourself. Inquisitive students are better informed and more up to date with current affairs than those who just wait to be told information.

Emphasising concepts - you will learn to see the big picture rather than just the component parts and this wide view will enhance your reasoning and evaluative skills. For example, in Economics it is important that you consider the stability of the whole macro-economy rather than only the individual parts like the price level or the level of growth.

Differentiation - teachers will use a variety of teaching strategies and approaches so that everyone's different needs and preferred ways of learning can be addressed.

Development of independence - while you will often work in groups, you need to develop your own independence of thought so that, even when working with others, you can voice your own reasoned opinions or use your own methodology to complete a task, even when others disagree with you.

Assessment - your teacher will use a variety of assessment methods and give feedback in different ways; he or she will also expect you to be able to assess your own and your classmates' work in a useful way. The aim is that you will not simply be looking to see what marks you have got - but what you *need to do next in order to improve*.

Economics and the IB learner profile

While you progress through your diploma programme studies and activities, you will develop a number of attributes. The IB calls this the IB "learner profile". This table shows you what the learner profile attributes are and some examples of how Economics can help you develop these.

We hope you will become ...	Example in Economics
Inquirers	Students should want to understand how prices change, how a market can fail, how and why governments intervene in the economy, why there is unemployment.....; you should try to find answers to these and other economic questions by using appropriate sources of information.
Knowledgeable	Students will acquire knowledge of terminology and theory appropriate to the subject as well as learning about the ideas of different schools of thought in Economics such as the Monetarists and the Keynesians.
Thinkers	Students will need to think for themselves as they encounter apparently contradictory theories and ideas. They will need to interpret and synthesise data.
Communicators	Students will need verbal communication skills in class as they discuss and debate with their teacher and fellow students. They will need written communication skills to present essays and reports as well as for formal assessment tasks.
Principled	Economics deals with a number of areas of conflict of thought; students should be open-minded when dealing with differences of opinion. For example, in Economics, cases can be made for the use of natural resources to improve living standards of people today and for the conservation of resources to protect the environment. Students must also be principled in their own work habits, acknowledging help from other people or sources.

Open-minded	Students should be willing to listen to and consider other people's opinions, and, when they disagree, argue logically and rationally rather than emotionally. Example as above.
Caring	Students should respect and support their fellow students.
Risk-takers	Students should be willing to make their own decisions and form their own arguments and then back up their own views when faced with opposing viewpoints.
Balanced	The student should be able to learn about different subjects, topics and opinions and take all into account in his/her own thinking, weighing up pros and cons in reaching his/her own decisions.
Reflective	Students should be able to evaluate different claims and views, to identify strengths and weaknesses of positions posed, thus contributing to the balanced conclusion.

Topics studied:

- Markets and market failure
- Elasticity
- Theory of the firm and market structures (HL only)
- Economic activity
- Government role in the economy
- International Trade
- Exchange rates and Balance of Payments
- Development Economics

Economics at SJIIM

The IB requires 240 hours of teaching for HL and 150 hours of teaching for SL. At SJIIM, HL Economics is allocated three double lessons per week and SL Economics is allocated two double lessons per week. If it happens that HL and SL are taught in the same class then SL students will be advised by the teacher as to which classes they need attend and from which they are excused.

SL and HL students of Economics are presented with a common syllabus, with an HL extension in some topics. The syllabus for both SL and HL students requires the development of certain skills and techniques, attributes and knowledge—as described in the assessment objectives of the programme. While most of the skills and activity of studying Economics are common to both SL and HL students, the HL student is also required to develop quantitative skills in order to explain and analyse economic relationships. These quantitative skills are specifically assessed at HL in paper 3.

Assessment of the IB Economics course

Economics, like all IB DP subjects, has two components to its assessment:

1. External: examination papers written at the end of the course assess the student's grasp of the knowledge and understanding, analysis and evaluation skills and content of the 'taught' course, i.e. the classwork and homework done throughout the two-year course. Completed examination papers are sent to IB to be marked.

2. Internal: the student must produce a 'portfolio' of three commentaries, each commentary being based on a recent media article. They must identify economic theory relevant to the content of the article and then evaluate that theory in that context. Students spend an average of 20 hours on this component of the course which is worth 20% of the final marks for the course. The portfolio is marked by the teacher according to a set of criteria, then sent to IB and checked by IB moderators.

Assessment criteria for the Economics Portfolio

The portfolio is marked out of 45: each commentary is marked out of 14, giving a mark out of 42 for the 3 commentaries with the final 3 marks being allocated for the rubric.

Criterion	Requirements
Diagrams	Relevant, accurate and correctly labelled diagram(s) are included, with a full explanation.
Terminology	Terminology relevant to the article is used appropriately throughout the commentary.
Application	Relevant economic concepts and/or theories are applied to the article appropriately throughout the commentary
Analysis	There is effective economic analysis relating to the article
Evaluation	Judgments are made that are supported by effective and balanced reasoning.

Final assessment in Economics

An overview of how you will be assessed on the final set of skills and knowledge that you have acquired is as follows.

LEVEL	ASSESSMENT	WEIGHTING (%)
HIGHER	3 exam papers	80
STANDARD	2 exam papers	80
EVERYONE	Internal Assessment	20

Economics course outline

This table shows the main topics covered during the two-year course.

	Section	Topic	Time allocation (weeks)	
			SL	HL
Year 1	Micro Economics	The market	5	5
	Micro	elasticity	3	2
	Micro	Government intervention	4	5
	Micro	Market failure	4	4
	Micro (HL extension)	Theory of the Firm		10
	Macro Economics	National Income	4	3
	Macro	AD / AS Equilibrium	3	2
	Macro	Economic Objectives and policies to achieve them	6	7
	Macro	Income distribution	3	3
Year 2	International Trade	Free trade and Protectionism	5	4
	IT	Exchange Rates	3	2
	IT	Balance of Payments	2	2
	IT	Policy	2	3
	Development	Growth v dev't	1	1
	Dev't	Measuring dev't	1	1
	Dev't	The financing of dev't	6	4
	Dev't	Policy - market v interventionism	3	2

Economics resources

The textbook issued to all IB Economics students is:

Economics Course Companion: Jocelyn Blink and Ian Dorton (OUP 2012)

In addition, the following textbook, available from the school library, is of great help especially to HL students:

Economics for the IB Diploma: Ellie Tragakes (CUP 2012)

The school library has regular subscriptions to the following magazines which are highly recommended reading for all students of Economics:

The Economic Review (Hodder Education)

The Economist

The New Internationalist

In addition, there is a growing selection of books related to various topics in the course available on loan from the school library.