

Diploma Programme course outline — Group 3: individuals and societies			
School name	Spojená škola Pankúchova 6, Bratislava, Slovakia		School code 061749
Name of the DP course <i>(indicate language)</i>	Economics		
Level <i>(indicate with X)</i>	Higher <input checked="" type="checkbox"/> Standard completed in two years <input checked="" type="checkbox"/> Standard completed in one year * <input type="checkbox"/>		
Name of the teacher who completed this outline	Kristina Kovacikova	Date of IB training	7.4.2021
Date when outline was completed	May 22, 2022	Name of workshop <i>(indicate name of course and workshop category)</i>	dp_econ_c1_en_g1_apr2021

* All Diploma Programme courses are designed as two-year learning experiences. However, up to two standard level courses, excluding languages ab initio and pilot courses, can be completed in one year, according to conditions established in the *Handbook of procedures for the Diploma Programme*.

1. Course outline

- Use the following table to organize the topics to be taught in the course. If you need to include topics that cover other requirements you have to teach (for example, national syllabus), make sure that you do so in an integrated way, but also differentiate them using italics. Add as many rows as you need.
- This document should not be a day-by-day accounting of each unit. It is an outline showing how you will distribute the topics and the time to ensure that

students are prepared to comply with the requirements of the course

- This outline should show how you will develop the teaching of the course. It should reflect the individual nature of the course in your classroom and should not just be a “copy and paste” from the course guide.

- If you will teach both higher and standard level, make sure that this is clearly identified in your outline.

<p style="text-align: center;">Topic/unit</p> <p style="text-align: center;">(as identified in the IB course guide)</p> <p style="text-align: center;"><i>State the topics/units in the order you are planning to teach them.</i></p>	<p style="text-align: center;">Contents</p>	<p style="text-align: center;">Time</p>	<p style="text-align: center;">Assessment instruments to be used</p>	<p style="text-align: center;">Resources</p> <p style="text-align: center;"><i>List the main resources to be used, including information technology if applicable.</i></p>
		<div style="border: 1px solid black; width: 20px; height: 60px; margin: 0 auto;"></div> <p style="text-align: center;">60 minutes.</p>		
		<div style="border: 1px solid black; width: 20px; height: 60px; margin: 0 auto;"></div> <p style="text-align: center;">3/5</p> <p style="text-align: center;">classes. SL/HL</p>		

Year 1	<p>1.1 What is economics?</p> <p>1.2 How do economists approach the world?</p>	<ul style="list-style-type: none"> ● Economics as a social science ● The problem of choice ● Opportunity cost ● The basic economic questions ● Means of answering the economic questions ● The production possibilities curve model (PPC) ● Modelling the economy ● Economic methodology ● Economic thought 	10 (SL)/10 (HL)	<p>✓ External assessment</p> <p>Paper1-paper3 HL (paper 1-2 for SL)</p> <p>✓ Internal assessment</p> <p>Assessment instruments to be used through out the course are:</p> <ul style="list-style-type: none"> - Periodic tests - In Thinking assignments - IB Past Paper Questions - Case Study Analysis - Discussion based on Visual Thinking Techniques - Debates - And class presentations - Drawing and 	<p>IB DP Economics recommended text book</p> <p>https://blackwells.co.uk/bookshop/product/Economics-Course-Book-by-Jocelyn-Blink-author-Ian-Dorton-author/9781382004961</p> <p>Information on the Internet</p>
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	<p>2.3 Competitive market equilibrium</p> <p>2.4 Critique of the maximizing behaviour of consumers and producers (HL only)</p>	<ul style="list-style-type: none"> ● Demand and supply curves forming a market equilibrium ● Shifting the demand and supply curves to produce a new market equilibrium, with reference to excess demand (shortage) and excess supply (surplus) ● Functions of the price mechanism ● Consumer and producer surplus ● Social/community surplus ● Allocative efficiency at the competitive market equilibrium ● Rational consumer choice (HL only) ● Behavioural economics in action (HL only) ● Business objectives (HL only) 	7 (SL)/12(HL)		
	<p>2.5 Elasticity of demand (includes HL only sub-topics)</p> <p>2.6 Elasticity of supply (includes HL only sub-topics)</p>	<ul style="list-style-type: none"> ● Concept of elasticity ● Price elasticity of demand (PED) ● Importance of PED for firms and government decision- making ● Reasons why the PED for primary commodities is generally lower than the PED for manufactured products (HL only) ● Income elasticity of demand (YED) ● Importance of YED (HL only) ● Price elasticity of supply (PES) ● Reasons why the PES for primary commodities is generally lower than the PES for manufactured products 	7 (SL)/10(HL)		

		(HL only)			
	<p>2.7 Role of government in microeconomics (includes HL only calculation)</p> <p>2.8 Market failure—externalities and common pool or common access resources (includes HL only calculation)</p>	<ul style="list-style-type: none"> ● Reasons for government intervention in markets ● Main forms of government intervention in markets ● Government intervention in markets—consequences for markets and stakeholders ● Socially optimum output: marginal social benefit (MSB) equals marginal social cost (MSC). ● Government intervention in response to externalities and common pool resources ● Strengths and limitations of government policies to correct externalities and approaches to managing common pool resources ● Importance of international cooperation 	7 (SL)/10(HL)		

	<p>2.9 Market failure—public goods</p> <p>2.10 Market failure—asymmetric information (HL only)</p>	<ul style="list-style-type: none"> ● Public goods ● Government intervention in response to public goods ● Asymmetric information ● Responses to asymmetric information 	4 (SL)/8(HL)		
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	<p>2.11 Market failure—market power (HL only)</p> <p>2.12 The market's inability to achieve equity (HL only)</p>	<ul style="list-style-type: none"> ● Perfect competition—many firms, free entry, homogeneous products ● Monopoly—single or dominant firm, high barriers to entry, no close substitutes ● Imperfect competition ● Rational producer behaviour—profit maximization (HL only) ● Degrees of market power ● Monopoly ● Oligopoly ● Monopolistic competition ● Advantages of large firms having significant market power, ● Risks in markets dominated by one or a few very large firms ● Government intervention in response to abuse of significant market power ● Workings of free market economy may result in an unequal distribution of income and wealth 	<p>0 (SL)/10(HL)</p>		
	<p>Internal assessment</p>	<p>1st commentary – review of requirements + work on internal assessment component</p>	<p>4 (SL)/4(HL)</p>		

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	<p>3.1 Measuring economic activity and illustrating its variations</p> <p>3.2 Variations in economic activity—aggregate demand and aggregate supply</p>	<ul style="list-style-type: none"> • National income accounting as a measure of economic activity • Equivalence of the income, output and expenditure approaches to national income accounting, with reference to the circular flow model • [Nominal] Gross domestic product (GDP) as a measure of national output • [Nominal] Gross national income (GNI) as a measure of national output • Real GDP and real GNI • Real GDP/GNI per person (per capita) • Real GDP/GNI per person (per capita) at purchasing power parity (PPP) • Business cycle: short-term fluctuations and long-term growth trend (potential output) • Appropriateness of using GDP or GNI statistics to measure economic well-being • Alternative measures of well-being • Aggregate demand (AD) • Components of AD: consumption (C) + investment (I) + government spending (G) + net exports (total exports [X] - total imports [M]) • Determinants of AD components • Shifts of the AD curve caused by changes in determinants Short-run aggregate supply (SRAS) curve and determinants of the SRAS curve 	12 (SL)/12(HL)		
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		<ul style="list-style-type: none">• Shifts of the SRAS curve• Alternative views of aggregate supply (AS)• Shifts of the AS curve over the long-run (monetarist/new classical LRAS) or over the long term (Keynesian AS)• Assumptions and implications of the monetarist/new classical and Keynesian models			
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	<p>Internal assessment</p> <p>3.3 Macroeconomic objectives (includes HL only calculation)</p> <p>3.4 Economics of inequality and poverty (includes HL only calculation)</p> <p>-Internal</p>	<p>1ST COMMENTARY - draft revision – consultation between teacher and each student</p> <ul style="list-style-type: none"> ● Economic growth ● Low unemployment ● Low and stable rate of inflation ● Relative costs of unemployment versus inflation ● Potential conflict between macroeconomic objectives ● Relationship between equality and equity ● The meaning of economic inequality ● Measuring economic inequality ● Meaning of poverty ● Measuring poverty ● Difficulties in measuring poverty ● Causes of economic inequality and poverty, ● The impact of income and wealth inequality ● The role of taxation in reducing poverty, income and wealth inequalities ● Further policies to reduce poverty, income and wealth inequality ● 2nd commentary 	<p>2 (SL)/2 (HL)</p> <p>8 (SL)/23(HL)</p>		
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Year 2	<p>3.5 Demand management (demand side policies)—monetary policy (includes HL only sub-topics)</p> <p>3.6 Demand management—fiscal policy (includes HL only sub-topics)</p> <p>3.7 Supply-side policies</p>	<ul style="list-style-type: none"> • Monetary policy • Goals of monetary policy • The process of money creation by commercial banks (HL only) • Tools of monetary policy (HL only) • Demand and supply of money—determination of equilibrium interest rates (HL only) • Real versus nominal interest rates • Expansionary and contractionary monetary policies to close deflationary/recessionary and inflationary gaps • Effectiveness of monetary policy • Fiscal policy • Goals of fiscal policy • Expansionary and contractionary fiscal policies in order to close deflationary/recessionary and inflationary gaps • Keynesian multiplier (HL only) • Effectiveness of fiscal policy • Goals of supply-side policies • Market-based policies • Interventionist policies • Demand-side effects of supply-side policies • Supply-side effects of fiscal policies • Effectiveness of supply-side policies 	20 (SL)/40(HL)		
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	Internal assessment	2ND COMMENTARY – work on internal assessment component+CONSULTATION BETWEEN TEACHER AND STUDENTS	4 (SL)/4(HL)		
	4.1 Benefits of international trade (includes HL only subtopics and calculation)	<ul style="list-style-type: none"> ● Benefits of international trade ● Absolute and comparative advantage (HL only) ● Limitations of the theory of comparative advantage 	9 (SL)/16(HL)		
	4.2 Types of trade protection (includes HL only calculations)	<ul style="list-style-type: none"> ● Tariffs ● Quota ● Subsidy ● Administrative barriers 			

	<p>4.3 Arguments for and against trade control/protection</p> <p>4.4 Economic integration</p>	<ul style="list-style-type: none"> ● Arguments for trade protection/advantages of trade protection ● Arguments against trade protection/advantages of trade protection, ● Free trade versus trade protection ● Preferential trade agreements ● Trading blocs ● Advantages and disadvantages of trading blocs ● Monetary union ● Advantages and disadvantages of monetary union (HL only) ● The World Trade Organization (WTO) 	9 (SL)/9(HL)		
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	<p>4.5 Exchange rates (includes HL only sub-topic)</p> <p>4.6 Balance of payments (includes HL only sub-topics)</p>	<ul style="list-style-type: none"> ● Floating exchange rates ● Changes in demand and supply for a currency ● Consequences of changes in the exchange rate on economic indicators ● Fixed exchange rates ● Managed exchange rates ● Fixed versus floating exchange rate systems (HL only) ● Balance of payments ● Components of balance of payments ● Interdependence between the accounts ● Relationship between the current account and the exchange rate (HL only) ● Relationship between the financial account and the exchange rate (HL only) ● Implications of a persistent current account deficit in terms of: (HL only) ● Methods to correct a persistent current account deficit (HL only) ● Effectiveness of measures to correct a persistent current account deficit (HL only). ● The Marshall-Lerner condition and the J-curve effect (HL only) ● Implications of a persistent current account surplus (HL only): 	<p>9 (SL)/16(HL)</p> <p>4 (SL)/4 (HL)</p>		
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	Internal assessment	3RD COMMENTARY - work on internal assessment component			
	Internal assessment				
	4.7 Sustainable development (includes HL only sub-topic) 4.8 Measuring development	<ul style="list-style-type: none"> ● The meaning of sustainable development ● Sustainable Development Goals ● Relationship between sustainability and poverty (HL only) ● Single indicators ● Composite indicators ● Strengths and limitations of approaches to measuring economic development ● Possible relationship between economic and economic development 	9 (SL)/15(HL)		
	Internal assessment	3RD COMMENTARY - draft revision – consultation between teacher and each student	2(SL)/2(HL)		

	4.9 Barriers to economic growth and/or economic development	<ul style="list-style-type: none"> ● Poverty traps/poverty cycles ● Economic barriers ● Political and social barriers ● Sign growth ificance of different barriers to economic growth and/or economic development ● Strategies to promote economic growth and/or economic development ● Strengths and limitations of strategies for promoting economic growth and economic development ● Strengths and limitations of government intervention versus market-oriented approaches to achieving economic growth and economic development ● Progress toward meeting selected Sustainable Development Goals in the context of two or more countries 	9 (SL)/9 (HL)		
	4.10 Economic growth and/or economic development strategies				

2. **IB internal assessment requirement to be completed during the course**

Briefly explain how and when you will work on it. Include the date when you will first introduce the internal assessment requirement, when the internal assessment requirement will be due and how students will be prepared to do it.

I will introduce requirements for internal assessment at the beginning of Unit 2 – Microeconomics, after Demand and Supply Units and then review at the end when students should work on their 1st commentary. As this will be the 1st time when they will be introduced with them, I will dedicate two 60-minutes classes of total 20 classes for these requirements. Then I will come back with requirements and work on assessments at the end of Unit2, at the end of Unit 3 and in the middle of Unit4. Students should work around 20 classes on their internal assessments together, including also time for work on internal assessment and consultation with teacher on drafts. By giving requirements, I will provide them with examples of assessed works, give them guidance how to search right articles for them (best practices). The most detailed requirements will be given to them at the end of this Unit2. IA will include also analysis of examples of articles, students’ commentaries and their assessments. Students need to produce a portfolio of three commentaries, based on different units of the syllabus and on published extracts from the news media. To prepare for IA, students need to familiar with assessment criteria, which we should made available to students, they need to familiar with rubric requirement under criterion F: rubric requirements.

Deadlines: IA1 (UNIT2 commentary): March, IA2 (Unit3 commentary): June, IA3 (Unit4 commentary): May

3. Links to TOK

You are expected to explore links between the topics of your course and TOK. As an example of how you would do this, choose one topic from your course outline that would allow your students to make links with TOK. Describe how you would plan the lesson.

Topic	Link with TOK (including description of lesson plan)
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Demand (The Law of Demand)	The law of demand I will explain by using real example, bringing to class quite normal handbag (for average price). I will ask students : How many handbags will be bought in this class in case it costs xxx EUR ? By brainstorming and receiving feedback from class, I will draw a table with figures and derive then chart expressing demand curve sloping downwards. As a link to TOK, I would say : unlike in physical sciences, where laws are 100% valid, there are some exceptions in laws in economics. And then I would introduce the Veblen goods, the goods for which demanded quantity rise as the price rise. As an example I will show Luis Vuitton hndbag, as a proof of this Veblen goods.
Demand (The Law of Demand)-HL	For HL students the nudge theory will be explained. After explanation of nudge theory, I will challenge students with questioning : Nudge theory has been described as « libertarian paternalism ». How can both words «libertarian « and « paternalism » be perceived negatively ? Despite the fact that both of the words have some negative connotations, proponents of nudge theory are happy to call it « libertarian paternalism ». How do they justify this ?
Demand (The Law of Demand)	The concept of utilitarianism should be briefly explained to students and its link to explanation of demand curve. Students will be asked to research the basic concept of utilitarianism and then challenged with another questions : 1. You have 20 EUR and are considering of going out for the evening or giving the money to the World Wildlife Fund. Consider who would benefit from the two options and try to give util values to the options in order to decide the right course of action. (Itemize all those who would benefit and lose from each option) 2. Drink five glasses of mineral water and attempt to give a marginal utility value to each glass. How does your marginal utility change as you consume each extra glass of water ? How would this affect the amount that you are prepared to pay for a glass ? 4. Does utilitarianism assume rational consumer behaviour ?

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4. Approaches to learning

Every IB course should contribute to the development of students' approaches to learning skills. As an example of how you would do this, choose one topic from your outline that would allow your students to specifically develop one or more of these skill categories (thinking, communication, social, self-management or research).

Topic	Contribution to the development of students' approaches to learning skills (including one or more skill category)
Benefits of international trade	At the beginning of introducing the topic of international trade, I would promote <u>thinking skills</u> by asking students : what are the reasons why do countries trade ? In order to promote <u>social skills</u> , students should be divided into several groups and brainstorm the reasons together. After putting reasons together, each group will be assigned with single different country and their task will be to find out goods that are subject of international trade (<u>research skills</u>). And the next task will be to find out whether countries assigned in the class can trade together and exchange goods . (<u>communication skills</u>)

5. International mindedness

Every IB course should contribute to the development of international-mindedness in students. As an example of how you would do this, choose one topic from your outline that would allow your students to analyse it from different cultural perspectives. Briefly explain the reason for your choice and what resources you will use to achieve this goal.

Topic	Contribution to the development of international mindedness (including resources you will use)

Economic development	<p>By exploring common characteristics of developing countries, students may look at the problems of developing countries from different cultural perspective (what should be the equal and fair help to them)</p> <p>I will ask students to explore the development of economics within a decidedly global context. Throughout the course, I will choose a range of both local and global examples (taken from the internet), case studies and inquiries to ensure course remains relevant and responsive to the rapidly changing global environments.</p>
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6. Development of the IB learner profile

Through the course it is also expected that students will develop the attributes of the IB learner profile. As an example of how you would do this, choose one topic from your course outline and explain how the contents and related skills would pursue the development of any attribute(s) of the IB learner profile that you will identify.

Topic	Contribution to the development of the attribute(s) of the IB learner profile

Poverty traps	<ul style="list-style-type: none"> ◆ By analysing poverty traps and exploring countries and statistics showing poverty in these countries, this real-world issue may strengthen caring principle of students ◆ Knowledgeable: utilize economic concepts,theories and models to help students gain a more sophisticated understanding of poverty trap ◆ Thinkers: Let students to synthesize and evaluate case study or data, economic information given to them to draw conclusions and develop balanced, well-supported arguments. ◆ Communicators: during the course,students need to finish some group work, communicate with their partners, compose clear and concise analytical commentaries utilizing the language and tools of economics ◆ Principled: students need to act with integrity, use knowledge with ethical responsibility, make it as a basic class requirement. ◆ Risk-takers: Utilize economic knowledge and understanding to develop and present creative policy recommendations for real world poverty problems
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7. Resources

Are instructional materials and other resources available in sufficient quality, quantity and variety to give effective support to the aims and methods of the courses? Will students have access to resources beyond the ones available at school? Briefly describe what plans are in place if changes are needed.

Apart from book, students may find useful information on the Internet:

<https://www.peakib.com/economics-resources>

<https://www.ibdeconomics.com/>

(world's best IB Economics teaching and learning resource)

<https://www.pearson.com/international-schools/international-baccalaureate-curriculum/ib-diploma/ib-diploma-group-3-overview/ib-diploma-group-3-economics.html.html?tab=is-it-for-me%253F>

<https://www.ibmastery.com/blog/the-99-best-economics-resources>

<https://www.thinkib.net/economics/page/23123/unit-28-demerit-goods->

TED Talks, youtube channel

