

## Summary

### 4.10 Economic growth and/or economic development strategies

Subject	Year	Start date	Duration
Economics	IB2	Week 2, February	1 week 2 hours

#### Course Part

#### 4. The global economy

#### Description

**4.10 – Economic growth and/or economic development strategies**, you should be able to:

- Define the following terms: experimental economics, economic well-being, import substitution, export promotion, diversification, deindustrialisation, social enterprise, venture capital, crowdfunding, patient capital, productively inefficient, allocatively inefficient, interventionist policies, redistribution policies, living wage, universal health coverage, palliative care, vaccines, maternal care, newborn care, distributed energy systems, bureaucracy, foreign direct investment (FDI), multinational corporations (MNCs), inward foreign direct investment (IFDI), outward foreign direct investment (OFDI), joint ventures, factor endowments, base-eroding and profit-shifting (BEPS), aid, humanitarian aid, food aid, medical aid, emergency relief aid, development aid, tied aid, grants, concessional loans, project aid, programme aid, official development assistance (ODA), non-governmental organisations (NGOs), debt relief, debt forgiveness, moral hazard (for debt relief), multilateral development assistance, World Bank, International Monetary Fund (IMF), Washington Consensus, structural adjustment programmes (SAPs), transaction account, M-Pesa, microfinance, microcredit, auditing, land tenure, tenant farmers.
- Explain how the following strategies may promote economic growth and/or development, and discuss their strengths and limitations:
  - Trade liberalisation
  - Import substitution
  - Export promotion
  - Diversification
  - Social enterprise
  - Market-based policies (trade liberalisation, privatisation, deregulation)
  - Interventionist policies (redistribution, provision of merit goods such as education, health, infrastructure)
  - Inward FDI
  - Aid (humanitarian aid, development aid, debt relief, ODA, NGOs)
  - Multilateral development assistance (World Bank, IMF)
  - Institutional change (banking, microcredit, women's empowerment, reducing corruption, property/land rights)
- Use economic diagrams to illustrate the impact of the strategies listed above on economic growth and/or development.
- Use data to compare and contrast progress of two or more countries on the Sustainable Development Goals (this is a skill and knowledge that has

## Inquiry & Purpose

### ? Inquiry / Higher Order Questions

#### Type

#### Inquiry Questions

Skills-based

Are the values on which development is based universal or do they depend on culture? Are there some goals among the Sustainable Development Goals that may not be acceptable to some

Type	Inquiry Questions
	cultures?

## Curriculum

### Objectives

#### Synthesis and evaluation (AO3)

Use economic concepts and examples to construct and present an argument

HL only: demonstrate economic synthesis and evaluation of the extension topics

HL only: select and use economic data using economic theory to make policy recommendations.

### Syllabus Content

#### Unit 4: The global economy

Real-world issue 2 - Why is economic development uneven?

4.10 Economic growth and/or economic development strategies

Strategies to promote economic growth and/or economic development

Trade strategies

Import substitution

Export promotion

Economic integration

Diversification

Social enterprise

Market-based policies

Trade liberalization

Privatization

Deregulation

Interventionist policies

Redistribution policies including tax policies, transfer payments and minimum wages

Provision of merit goods

Education programs

Health programs

Infrastructure including energy, transport, telecommunications, clean water and sanitation

Inward foreign direct investment

Foreign aid

Humanitarian aid/development aid

Debt relief

Official Development Assistance (ODA)

Non-governmental organizations (NGOs)

Multilateral development assistance

The World Bank

International Monetary Fund

Institutional change

Improved access to banking, including microfinance and mobile banking

Increasing women's empowerment

Reducing corruption

Property rights

Land rights

Diagrams: in this section students are expected to draw from the diagrams used in the other sections

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

### Concepts

Perceptions of the meanings of development and **equity** change over time and vary across cultures

Governments and other economic agents may intervene in an attempt to promote **economic wellbeing** and **equity** in societies. • The pursuit of **sustainability** is subject to various constraints. • Effective strategies should take account of the relevant social, economic, and political context.

## ATL Skills

### Approaches to Learning



#### Social

- In this unit, we will
  - have students work in small groups
  - support students in resolving a conflict in a team
  - give a group assessment task



#### Research

- In this unit, we will
  - provide opportunities for students to reflect on how they determine the quality of a source, or analyse contradictory sources
  - require students to record their search for sources in steps (types of search engines, search terms, and so on)

## Developing IB Learners

### Learner Profile



Inquirers



Caring



Risk-takers (Courageous)



Balanced



Reflective