



# The Webinar: Paper 3: The Policy Paper *Will be starting shortly*

Jen Olmsted



# Paper 3: The Policy Paper

HL Only

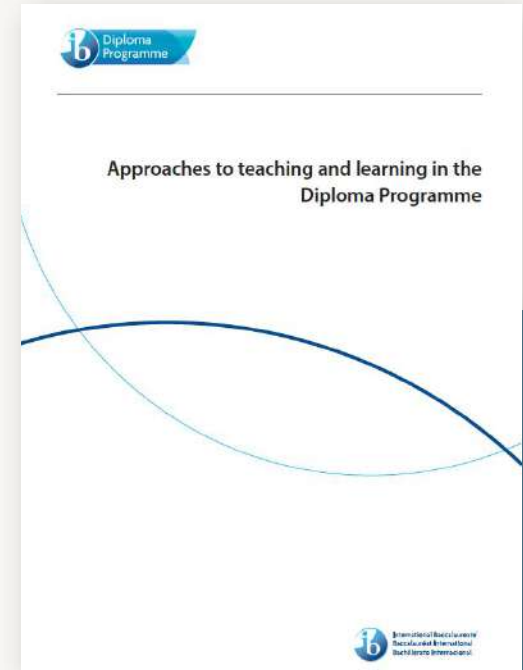
# Paper 3: The Policy Paper: The New Syllabus

From the guide: Approaches to teaching and learning in the Diploma Program

## How many units are there?

There are four syllabus units that form the core content for SL and HL. These are:

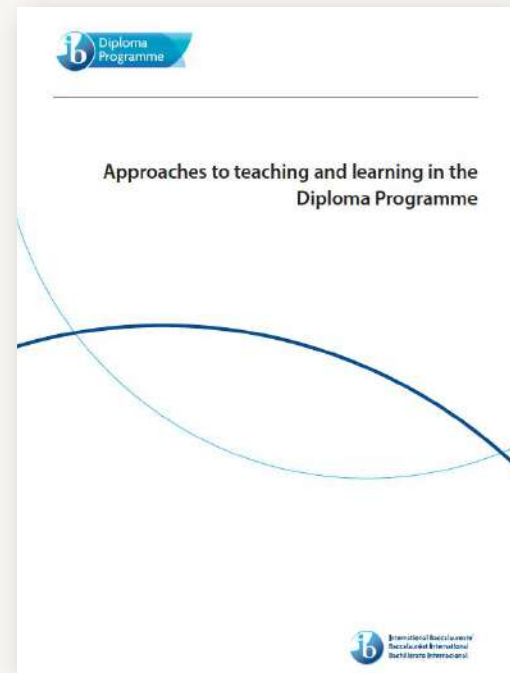
- Unit 1: Introduction to economics
- Unit 2: Microeconomics
- Unit 3: Macroeconomics
- Unit 4: The global economy



# Paper 3: The Policy Paper: The New Syllabus

From the guide: Approaches to teaching and learning in the Diploma Program

What's new? How can I understand the changes at a glance?	
Old (last assessment 2021)	New (first assessment 2022)
No formal introductory unit that forms part of the syllabus	Introduction to economics forms the first unit in the course
International economics and development economics sections are separate	The global economy unit contains elements of both international economics and development economics sections of the previous course
No key concepts addressed in the course	Nine key concepts form part of the course. These are explicitly assessed in the internal assessment
No introductory statements provided for each section of the syllabus	Each unit begins with statements of Conceptual understandings
Each syllabus section is divided into; subtopic, SL/HL core and HL only	Each syllabus unit includes the topic/subtopic, depth of teaching and a diagrams and calculations section (unit 1 only has a diagrams section in the last column)
SL and HL paper 1: students answer two questions. One out of two from microeconomics and one out of two from macroeconomics	SL and HL paper 1: students answer one question from a choice of three that are drawn from any of the four units of the syllabus
SL and HL paper 2: students answer two questions. One out of two from International economics and one out of two from Development economics	SL and HL paper 2 students answer one question from a choice of two that are drawn from any of the four units of the syllabus
HL paper 3: mostly quantitative in nature	HL paper 3: mostly quantitative but includes policy questions that are qualitative in nature



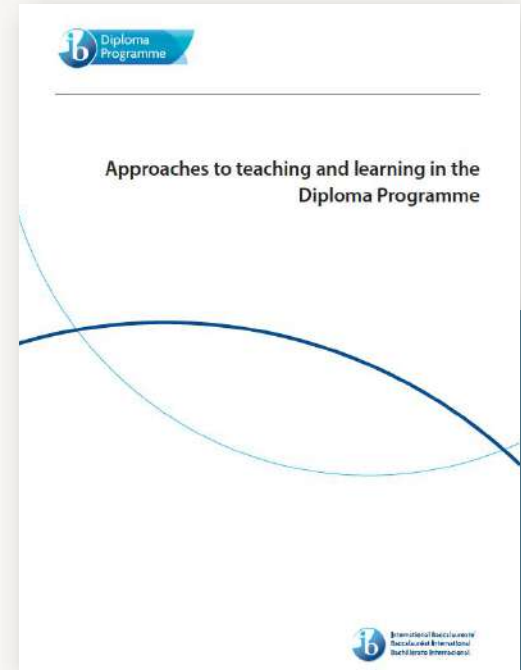
# Paper 3: The Policy Paper: The New Syllabus

From the guide: Approaches to teaching and learning in the Diploma Program

## What about real-world issues and contemporary content?

### Real world issues

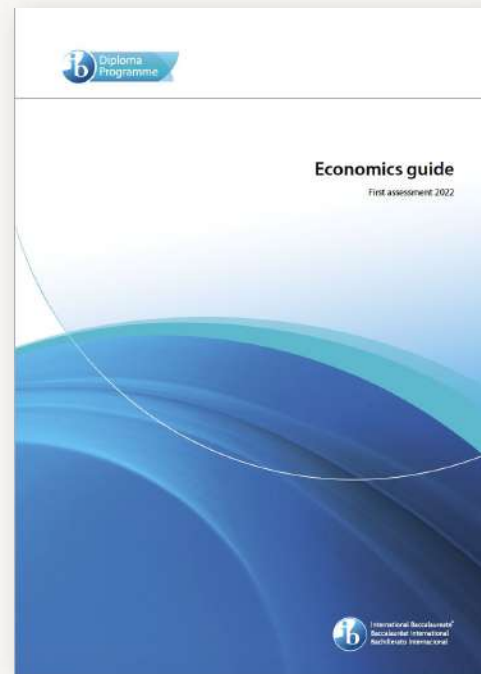
Students must explore the three units of “Microeconomics”, “Macroeconomics” and “The global economy” through the lens of real-world issues; each unit has two real-world issues. Emphasis has also been placed on key global issues like environment, inequality and poverty.



# Paper 3: The Policy Paper: The Requirements

Assessment component	Weighting
<b>External assessment (4 hours and 45 minutes)</b>	<b>80%</b>
<b>Paper 1 (1 hour and 15 minutes)</b> An extended response paper (25 marks) Assessment objectives: AO1, AO2, AO3, AO4 Syllabus content including HL extension material. Students answer one question from a choice of three. (25 marks)	<b>20%</b>
<b>Paper 2 (1 hour and 45 minutes)</b> A data response paper (40 marks) Assessment objectives: AO1, AO2, AO3, AO4 Syllabus content including HL extension material. Includes some quantitative questions. Students answer one question from a choice of two. (40 marks)	<b>30%</b>
<b>Paper 3 (1 hour and 45 minutes)</b> A policy paper (60 marks) Assessment objectives: AO1, AO2, AO3, AO4 Syllabus content including HL extension material. Includes both quantitative and qualitative questions. Students answer two compulsory questions. (30 marks per question)	<b>30%</b>
<b>Internal assessment (20 teaching hours)</b> This component is internally assessed by the teacher and externally moderated by the IB at the end of the course. Students produce a portfolio of three commentaries, based on different units of the syllabus (excluding the introductory unit) and on published extracts from the news media. Each of the three commentaries should use a different key concept as a lens through which to analyse the published extracts. Maximum 800 words for each commentary (45 marks)	<b>20%</b>

From the guide: Economics 2020



# Paper 3: The Policy Paper: The Requirements

## Paper 3

**Duration:** 1 hour 45 minutes

**Weighting:** 30%

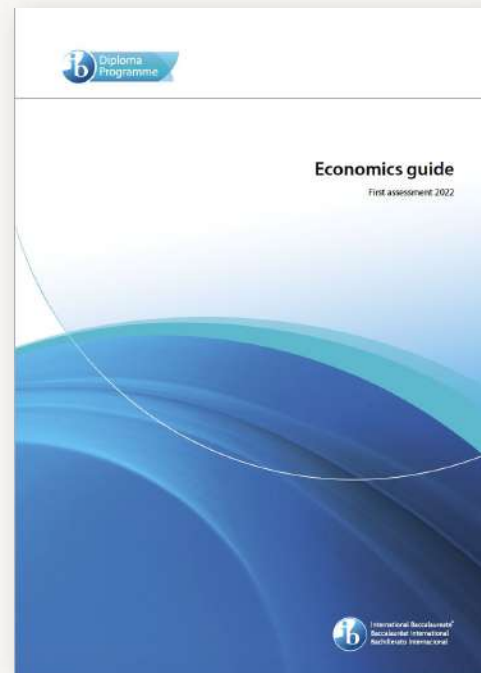
- Students answer two compulsory questions.
- The questions are subdivided into parts (a) and (b). Part (a) has subparts.

Students are expected to demonstrate the following assessment objectives.

Assessment objective	Part (a)	Part (b)
AO1—knowledge and understanding	✓	✓
AO2—application and analysis	✓	✓
AO3—synthesis and evaluation		✓
AO4—use and application of appropriate skills	✓	✓
Marks (maximum)	20	10
Marks (maximum per question)	<b>30</b>	
<b>Maximum marks for paper 3</b> (for two questions)	<b>60</b>	

- Questions in this paper are drawn from the four units of the syllabus **including** the HL extension material and topics studied at HL only.
- The command terms used indicate the depth of response required.
- Marks are allocated using a combination of an analytic markscheme and markbands.
- Many question parts require the use of a calculator. GDCs are allowed during the examination, and students should be familiar with their use. Full details are given in the section “Use of calculators”.
- An answer booklet will be provided, and additional answer sheets may be used if necessary.

From the guide: Economics 2020



# Paper 3: The Policy Paper: Mark Scheme

From the guide: Economics 2020

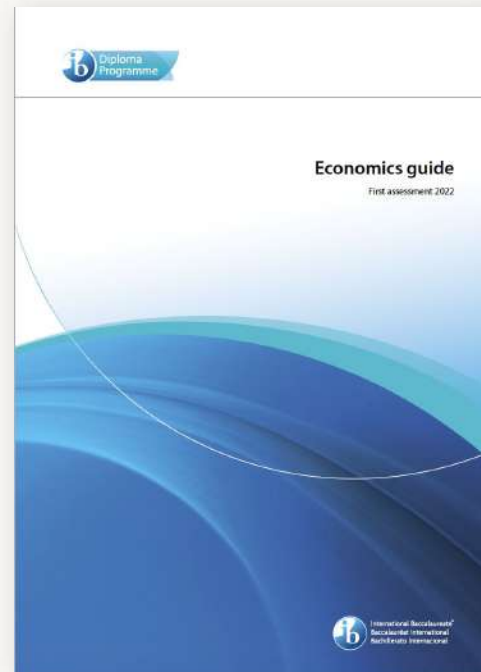
## Paper 3 (HL only)

For part (a) a markscheme will be used.

### Part (b) 10-mark question

**Recommend**—present an advisable course of action with appropriate supporting evidence/reason in relation to a given situation, problem or issue.

9–10	<ul style="list-style-type: none"><li>• The response identifies and fully explains an appropriate policy.</li><li>• The response uses relevant economic theory effectively to support the recommendation.</li><li>• Relevant economic terms are used appropriately throughout the response.</li><li>• The use of information from the text/data is appropriate, relevant and supports the analysis/evaluation effectively.</li><li>• The response contains evidence of effective and balanced synthesis or evaluation.</li></ul>
------	--





# Paper 3: The Policy Paper

From the specimen paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



## Economics Higher level Paper 3

Specimen paper

Candidate session number

1 hour 45 minutes

--	--	--	--	--	--	--	--	--	--

### Instructions to candidates

- Write your session number in the boxes above.
- You are permitted access to a calculator for this paper.
- Do not open this examination paper until instructed to do so.
- Answer all the questions.
- Answers must be written within the answer boxes provided.
- Unless otherwise stated in the question, all numerical answers must be given exactly or correct to two decimal places.
- You must show all your working.
- The maximum mark for this examination paper is **[60 marks]**.

## Paper 3: The Policy Paper

### Tip 1..... Write clearly

## Tip 1..... Write clearly

RM Assessor

Back to Home Page • Whole Response ENG-ECONOMICS HL PAPER THREE in ENGLISH

Find response by ID • ID

Log off

Worksheet

Response 64654312

Stop Marking Save and Close Full Response View Tag

Mark by: Candidate Question Auto Advance

Using the diagram and your answers to part (f), explain why price rigidities exist in non-collusive oligopolistic markets. [4]

For firms to increase price, other firms in the market... in this, these firms are likely to... from the other firm... a large increase in revenue... other firms in price... not that firms are price... other firm would decrease in price... have a loss in revenue... the price... being on... prices are rigid... the market point... of the per. cost.

The following diagram illustrates the demand conditions faced by Firm B, which operates in a non-collusive oligopolistic market structure. It currently charges a price of \$10 per unit.

Online

FR Width FR Height Fixed Zoom 50%

Marking

Total marks: 21 29% Marked

Show All Hide All

Question	Marks
Q1a	2/2
Q1f	4/4
Q1f	2/2
Q1f	2/2
Q1g	-/4
Q2	-/25

Q1g -/4

No Response Reset

Complete

## Exam tips:

# Paper 3: The Policy Paper

I'm really not sure what this says...

The screenshot shows the RM Assessor interface for the Whole Response ENG-ECONOMICS HL PAPER THREE in ENGLISH. The question is: "The full employment level of output for Country A is identified as \$18 billion per year. A decrease in consumer expenditure has led to a decrease in aggregate demand of \$9 billion. (a) (i) Identify **two** possible reasons for a decrease in consumer expenditure. [2]"

The handwritten response in the text box is:

Change in consumer taste?  
~~Consumer expenditure~~  
Consumer expenditure of the workers

The interface includes a marking panel on the right with the following table:

Question	Marks
Q1f	-1/2
Q1g	-1/4
Q2	1/25
Q2a	1/6
Q2	1/2
Q2	-1

The marking panel also shows "Total marks: 1" and "3% Marked". The question Q2a(i) is highlighted, showing "1 / 2" and "No Response" and "Reset" buttons.

## Exam tips:

# Paper 3: The Policy Paper

## A great way to make answers clear

The screenshot displays the RM Assessor marking interface for an economics paper. The question asks for the long-run equilibrium price and level of output for Firm A. The handwritten answer states that the long-run equilibrium is at a price of 12\$ per unit and a quantity of 120,000 per month, explaining that in perfect competition, firms produce where price equals marginal cost, and in the long run, they make normal profits where price equals average cost.

Below the answer is a graph showing the Marginal Cost (MC) and Average Cost (AC) curves. The MC curve is upward sloping, and the AC curve is U-shaped. The MC curve intersects the AC curve at its minimum point, which is at a price of 12 and a quantity of 120,000. The graph is plotted on a grid with the y-axis ranging from 32 to 44 and the x-axis ranging from 0 to 120,000.

The marking interface shows a table of marks for the question. The table has two columns: Question and Marks. The marks for the question are 2/2.

Question	Marks
Q1	1/1
Q1	0/2
Q1b	2/2
Q1c	-/4
Q1d	-/2
Q1e	-/2
Q1f	-/2

The interface also shows a 'Marking' section with a 'Total marks: 7' and '15% Marked'. The 'Q1b' section shows '2/2' and 'No Response'.

## Exam tips:

Answers  
from be  
written in the  
answer  
boxes

# Paper 3: The Policy Paper

Answers must be contained within the box

The screenshot shows the IB Marking Assessor interface. The main window displays a handwritten answer for a question: (b) (i) Calculate the price elasticity of demand when price increases from \$7 to \$10. [2]. The answer is written in a box and includes the following calculations:

$$\frac{Q_2 - Q_1}{Q_1} \times \frac{P_1}{P_2 - P_1} \times 100$$
$$\frac{100 - 150}{150} \times \frac{7}{10 - 7} \times 100$$
$$= \frac{-50}{150} \times \frac{7}{3} \times 100$$
$$= -\frac{5}{3} \times \frac{7}{3} \times 100$$
$$= -\frac{35}{9} \times 100$$
$$= -3.89 \times 100$$
$$= -389\%$$

The interface also shows a sidebar with a list of questions and their marks. The table below represents the data from the sidebar:

Question	Marks
Q1	2/25
Q1a	2/2
Q1b	1/1
Q1c	1/1
Q1d	-/6
Q1e	-/2
Q1f	-/4

The interface also shows a sidebar with a list of questions and their marks. The table below represents the data from the sidebar:

Question	Marks
Q1	2/25
Q1a	2/2
Q1b	1/1
Q1c	1/1
Q1d	-/6
Q1e	-/2
Q1f	-/4

## Exam tips:

Answers  
from be  
written in the  
answer  
boxes

# Paper 3: The Policy Paper

## This is a special view of the page

The screenshot displays the IB Marking Assessor interface. The main window shows a handwritten answer for a question on price elasticity of demand. The question is: (b) (i) Calculate the price elasticity of demand when price increases from \$7 to \$10. [2]

The handwritten answer shows the following calculations:

$$\frac{1.400}{1.400} = \frac{1.400}{1.400} \times 100$$
$$= \frac{1.400}{1.400} \times 100$$
$$= \frac{1.400}{1.400} \times 100$$
$$= \frac{1.400}{1.400} \times 100$$
$$= \frac{1.400}{1.400} \times 100$$

The final answer is: PED = -9.909

On the right side, there is a 'Marking' panel showing the total marks and a table of marks for each question.

Question	Marks
Q1	2/25
Q1a	2/2
Q1b	-/6
Q1c	-/2
Q1d	-/4
Q1e	-/6
Q1f	-/2
Q1g	-/2
Q1h	-/2
Q1i	-/2
Q1j	-/2
Q1k	-/2
Q1l	-/2
Q1m	-/2
Q1n	-/2
Q1o	-/2
Q1p	-/2
Q1q	-/2
Q1r	-/2
Q1s	-/2
Q1t	-/2
Q1u	-/2
Q1v	-/2
Q1w	-/2
Q1x	-/2
Q1y	-/2
Q1z	-/2

## Exam tips:

# Paper 3: The Policy Paper

## Clearly indicate the answer

The screenshot shows the RM Assessor interface for marking a response. The question is: (i) Calculate the income tax paid in 2015 by an individual earning \$65 000 per year. [2]

The handwritten answer is as follows:

$$\begin{aligned} (22\,000 - 8\,000) \times \frac{10}{100} &= 14\,000 \times 0.1 = 1\,400\$ \\ (38\,000 - 22\,000) \times \frac{20}{100} &= 16\,000 \times 0.2 = 3\,200\$ \\ (65\,000 - 38\,000) \times \frac{32}{100} &= 27\,000 \times 0.32 = 8\,640\$ \\ 1\,400 + 3\,200 + 8\,640 &= 13\,240\$ \text{ tax paid} \end{aligned}$$

The interface includes a table for income tax rates and a marking panel on the right.

Income (\$ per year)	Rate of income tax (2015)	Rate of income tax (2016)
1–8000	0%	0%
8001–22000	10%	8%
22001–38000	20%	16%
38001 and over	32%	25%

The marking panel on the right shows the total marks for the question and the marks awarded for each part.

Marking panel details:

- Total marks: 10
- 53% Marked
- Question: Q2, Q2b, Q2c, Q2d
- Marks: 0/1, 0/1, 0/1, 0/4, 2/7, 2/2
- Q2c is highlighted with a green bar.
- Q2c(1) is shown with 2/2 marks.
- Buttons: No Response, Reset, Complete.



## Exam tips:

# Paper 3: The Policy Paper

## Where is the CORRECT answer?

The screenshot shows the RM Assessor interface for the Whole Response ENG-ECONOMICS HL PAPER THREE in ENGLISH. The question is: (i) Calculate the average rate of tax paid by the individual in 2016 (assuming the individual's income remains the same as in 2015). [3]

The handwritten calculation is as follows:

$$\frac{(8,000 \times 0.02) + (14,000 \times 0.025) + (16,000 \times 0.03) + (2,000 \times 0.04)}{8,000 + 14,000 + 16,000 + 2,000} = \frac{1,600 + 3,500 + 4,800 + 800}{40,000} = \frac{10,700}{40,000} = 0.2675$$

The final answer is 0.2675, which is circled in red. The interface also shows a marking panel on the right with a table of marks for various questions.

Question	Marks
Q2	1/1
Q2	0/1
Q2b	4/4
Q2c	2/7
Q2	2/2
Q2	1/3



## Exam tips:

# Paper 3: The Policy Paper

## Tip 4 – Check your working

The screenshot shows the IB Marking Assessor interface. The main window displays a question: (iii) State the amount (in \$ billion) by which the full employment level of output exceeds the short-run equilibrium level of output. [1]. The handwritten response in the box is: "...\$13 billion ... \$14 billion = \$2 billion". The response is marked with a red '1' in a box. The interface includes a toolbar with various marking tools, a sidebar with a list of questions, and a right-hand panel showing the marking details for the selected question.

Marking details:

Question	Marks
Q2a	3/6
Q2	2/2
Q2	1/1
Q2	0/1
Q2	-1/1
Q2	-1/1

Q2a(iii) 0 / 1

Buttons: No Response, Reset, Complete

## Exam tips:

# Paper 3: The Policy Paper

Its more common than you think!

The screenshot displays the RM Assessor marking interface. The main area shows a question (ii) asking for the amount by which the full employment level of output exceeds the short-run equilibrium level of output. The handwritten answer is  $18 - 14 = 4$  billion. The marking table on the right shows the following marks:

Question	Marks
Q2	2/25
Q2a	2/6
Q2...	1/2
Q2...	1/1
Q2...	0/1
Q2...	-1/1

The interface also includes a toolbar with various marking tools and a sidebar with navigation options.

# Paper 3: The Policy Paper

## Significant changes in the syllabus.

Lets just look at demand and supply as an example:

### 2013 Syllabus

HL

- Explain a demand function (equation) of the form  $Q_d = a - bP$ .
- Plot a demand curve from a linear function (eg.  $Q_d = 60 - 5P$ ).
- Identify the slope of the demand curve as the slope of the demand function  $Q_d = a - bP$ , that is  $-b$  (the coefficient of  $P$ ).
- Outline why, if the "a" term changes, there will be a shift of the demand curve.
- Outline how a change in "b" affects the steepness of the demand curve.

- Explain a supply function (equation) of the form  $Q_s = c + dP$ .
- Plot a supply curve from a linear function (eg.  $Q_s = -30 + 20P$ ).
- Identify the slope of the supply curve as the slope of the supply function  $Q_s = c + dP$ , that is  $d$  (the coefficient of  $P$ ).
- Outline why, if the "c" term changes, there will be a shift of the supply curve.
- Outline how a change in "d" affects the steepness of the supply curve.

- Calculate the equilibrium price and equilibrium quantity from linear demand and supply functions.
- Plot demand and supply curves from linear functions, and identify the equilibrium price and equilibrium quantity.
- State the quantity of excess demand or excess supply in the above diagrams.

### New Syllabus

**Calculation (HL only):  
consumer surplus and  
producer surplus from  
a diagram**

# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



**Economics**  
**Higher level**  
**Paper 3**

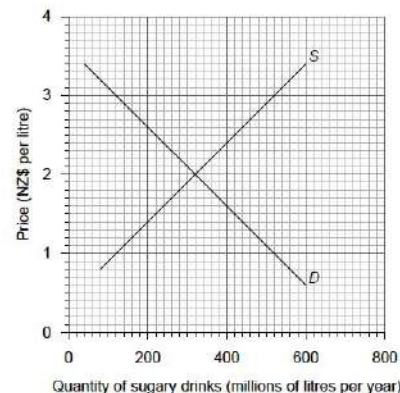
Specimen paper

## What types of questions can we expect?

- Reading information from a diagram

Figure 3 illustrates the market for sugary drinks in New Zealand.

Figure 3



Assuming that the consumption of sugary drinks is an example of market failure, it has been estimated that the allocatively efficient level of consumption would be approximately 200 million litres per year.

- (vii) Using this information, draw the marginal social benefit (MSB) curve on Figure 3. [1]

.....

.....

- (viii) Using your answer to part (vii), calculate the welfare loss to New Zealand resulting from excessive consumption of sugary drinks. [2]

.....

.....

.....

# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



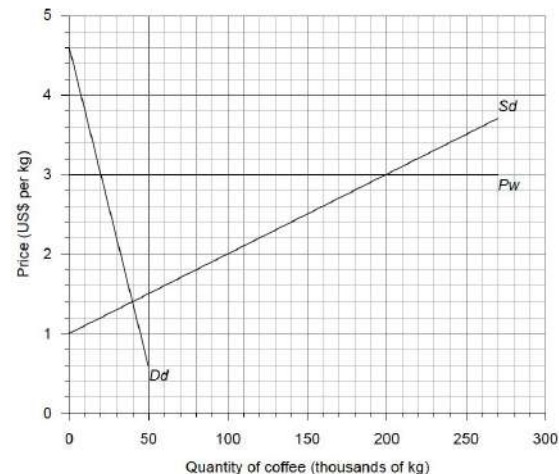
Diploma Programme  
Programme du diplôme  
Programa del Diploma

**Economics**  
**Higher level**  
**Paper 3**

Specimen paper

1. Country X is a low-income economy situated in Africa. Its main export is coffee, which accounts for 20.2% of its export earnings. Figure 1 illustrates the market for coffee in Country X.  $D_d$  and  $S_d$  represent domestic demand and supply per year, in thousands of kilograms (kg), while  $P_w$  is the world price in US dollars (US\$) per kg.

Figure 1



- (a) (i) Calculate the value of coffee exports per year from Country X.

[2]

.....

.....

.....

.....

# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



Diploma Programme  
Programme du diplôme  
Programa del Diploma

Economics  
Higher level  
Paper 3

Specimen paper

**What types of questions can we expect?**

- Some calculations eg elasticity
- Explanations using data

The minister of finance for Country X has stated that “one of our problems is that our citizens view coffee as an export crop only, and we do not do enough to develop our domestic market. Indeed, many coffee drinkers in our country buy imported products rather than domestic coffee, and their demand is not price-sensitive”.

- (vii) Assume the price of coffee is US\$2.20 per kg. Using **Figure 1**, calculate the price elasticity of demand (PED) for coffee in Country X if the price were to fall from US\$2.20 per kg to US\$1.40 per kg. [2]

.....

.....

.....

.....

- (viii) Using **at least two** items of information provided, explain why the government of Country X should be very concerned at the prospect of a fall in world coffee prices. [4]

.....

.....

.....

.....

.....

# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



Economics  
Higher level  
Paper 3

Specimen paper

## What types of questions can we expect?

- Some calculations eg elasticity
- Explanations using data

(viii) Using **at least two** items of information provide, explain why the government of Country X should be very concerned at the prospect of a fall in world coffee prices.

[4]

Level	Descriptor	Marks
0	<i>The work does not reach a standard described by the descriptors below.</i>	<b>0</b>
1	<i>The written response is limited.</i>	<b>1–2</b>
	For identifying <b>two</b> reasons why the government of Country X should be very concerned at the prospect of a fall in world coffee prices. Award <b>[1]</b> for each valid reason.	
2	<i>The written response is accurate.</i>	<b>3–4</b>
	For explaining <b>two</b> reasons why the government of Country X should be very concerned at the prospect of a fall in world coffee prices. A response which does not use <b>at least two</b> items of information may be awarded a maximum of <b>[3]</b> .	

Answers **may** include:

- Coffee comprises 20.2 % of export earnings. If the price of coffee falls then export earnings will decrease.
- The current account balance is in deficit (–US\$2.35 billion). The deficit would increase.
- Agriculture accounts for 26.7 % of GDP, 40 % of the labour force works in agriculture. A fall in the price of coffee will affect rural workers significantly.
- The level of poverty is relatively high (19.7 %) while GDP/capita is less than 10 % of the world average. Inequality is significant (Gini coefficient = 0.41). A fall in the price of coffee would be likely to increase poverty, reduce GDP/capita and increase inequality.

*Any valid reason explained.*

# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



**Economics  
Higher level  
Paper 3**

Specimen paper

**What types of questions can we expect?**

- Validity of statistics

(vi) Using an example, explain the importance of presenting “GDP per capita” statistics at purchasing power parity (PPP).

[4]

.....

.....

.....

.....

.....

.....



# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



Economics  
Higher level  
Paper 3

Specimen paper

## What types of questions can we expect?

- Validity of statistics

With a focus on using data

(vi) Using an example, explain the importance of presenting “GDP per capita” statistics at purchasing power parity (PPP).

[4]

Level	Descriptor	Marks
0	<i>The work does not reach a standard described by the descriptors below.</i>	<b>0</b>
1	<i>The written response is limited.</i>	<b>1–2</b>
	For the idea that the purchasing power of GDP per capita (measured in, for example, US\$) is not comparable between countries due to differences in the general price level.	
2	<i>The written response is accurate.</i>	<b>3–4</b>
	For an explanation that purchasing power of GDP per capita (measured in, for example, US\$) is not comparable between countries due to differences in the general price level, and that adjusting for purchasing power parity allows a realistic comparison of the real value of GDP per capita <b>AND</b> for an example, such as: if annual GDP per capita is \$5000 in Country A and \$10 000 in Country B, while the cost of living in Country B is twice that in Country A, then GDP per capita at PPP would be equal between the countries.	

*If a relevant example is not included, a maximum of [3] may be awarded.*

# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



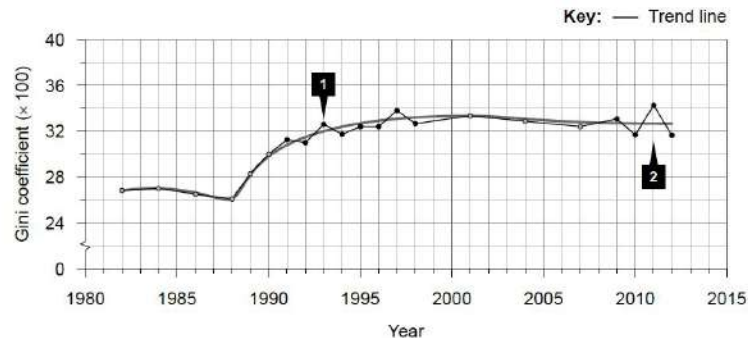
Economics  
Higher level  
Paper 3

Specimen paper

## What types of questions can we expect?

- Interpreting data

Figure 2



- 1** The Gini can sometimes fluctuate from one survey to the next. When that happens the trend becomes clear on looking back.
- 2** In recent years there has been some volatility in household incomes, reflecting the ongoing adjustments to the impact of the GFC, Christchurch earthquakes, and the associated economic downturn and recovery. There is no evidence yet of any rising or falling trend in the Gini in recent years.
- (iv) Referring to the change in New Zealand's Gini coefficient shown in **Figure 2**, outline **one** possible reason for this change.

[2]

.....

.....

.....

.....

# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



**Economics  
Higher level  
Paper 3**

Specimen paper

**What types of questions can we expect?**

- Applications of gini coefficient

(v) Explain the likely impact on New Zealand's Gini coefficient if the government increased the rate of GST to 20 % in 2017.

[4]

.....

.....

.....

.....

.....

.....

# Paper 3: The Policy Paper

From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



**Economics**  
**Higher level**  
**Paper 3**

Specimen paper

- (b) Using the data provided and your knowledge of economics, recommend a policy which the New Zealand government could introduce to address the over-consumption of sugary drinks.

[10]

- (b) Using the data provided and your knowledge of economics, recommend a policy which could be introduced by the government of Country X in response to the expected fall in the world price of coffee.

[10]

# Paper 3: The Policy Paper

## From the Specimen Paper

SPEC/3/ECONO/HP3/ENG/TZ0/XX



Diploma Programme  
Programme du diplôme  
Programa del Diploma

Economics  
Higher level  
Paper 3

Specimen paper

- (b) Using the data provided and your knowledge of economics, recommend a policy which the New Zealand government could introduce to address the over-consumption of sugary drinks.

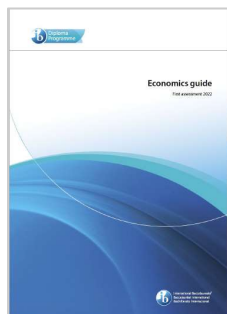
[10]

- (b) Using the data provided and your knowledge of economics, recommend a policy which could be introduced by the government of Country X in response to the expected fall in the world price of coffee.

[10]

slido

## From the guide



9–10

- The response identifies and fully explains an appropriate policy.
- The response uses relevant economic theory effectively to support the recommendation.
- Relevant economic terms are used appropriately throughout the response.
- The use of information from the text/data is appropriate, relevant and supports the analysis/evaluation effectively.
- The response contains evidence of effective and balanced synthesis or evaluation.

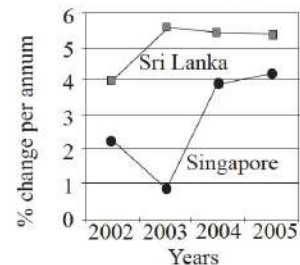
# Paper 3: The Policy Paper

## How can we adjust our teaching?

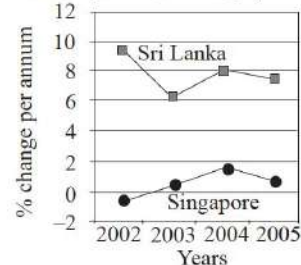
- Practice using data in class to identify economic problems



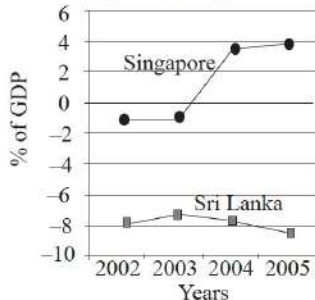
Real GDP (% change per annum)



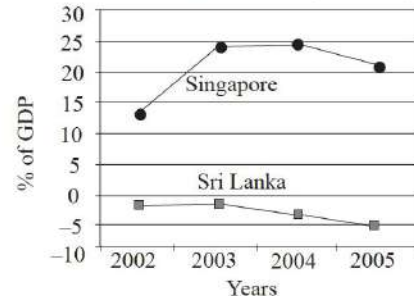
Consumer prices (% change per annum)



Budget balance (% of GDP)



Current account balance (% of GDP)



[Source: adapted from Khozem Merchant, *Financial Times*, 9 December 2005, and *The Economist: Country Briefings*]

# Paper 3: The Policy Paper

## How can we adjust our teaching?

- Newspaper articles describing economic problems. Eg COVID-19. Challenge students to solve them

 The Jakarta Post

NEWS BUSINESS SE ASIA OPINION LIFESTYLE TRAVEL MULTIMEDIA

ACADEMIA > OPINION

## How COVID-19 impacts Indonesia's trade

Lili Yan Ing



Aljazeera.com

## Coronavirus pummels already crippled Palestinian economy: UN

"Even before the economic shock due to the coronavirus disease [COVID-19] pandemic, the [Palestinian] economy was expected to slip into ...

## Study: COVID-19 Economic Impact \$2.5 Trillion Loss in Goods ...

The team used quarterly economic data in their model of the U.S. economy to determine the effects of the pandemic and the impacts of related ...

# Paper 3: The Policy Paper

## How can we adjust our teaching?

- Policy Game

### TEAM A - Proposition

- Students develop a solution to an economic problem
- Eg solving the over consumption of sugary drinks
- They list all the reasons why it's a great solution
- Then passed to team B

### TEAM B - Opposition

- Students point all the problems with the proposed solutions
- Then passed to team C

### TEAM C

- Students decide which side has the strongest argument (balance) and identifies the winner



# Q & A

Any questions?



# Thank you for attending

Jen Olmsted

