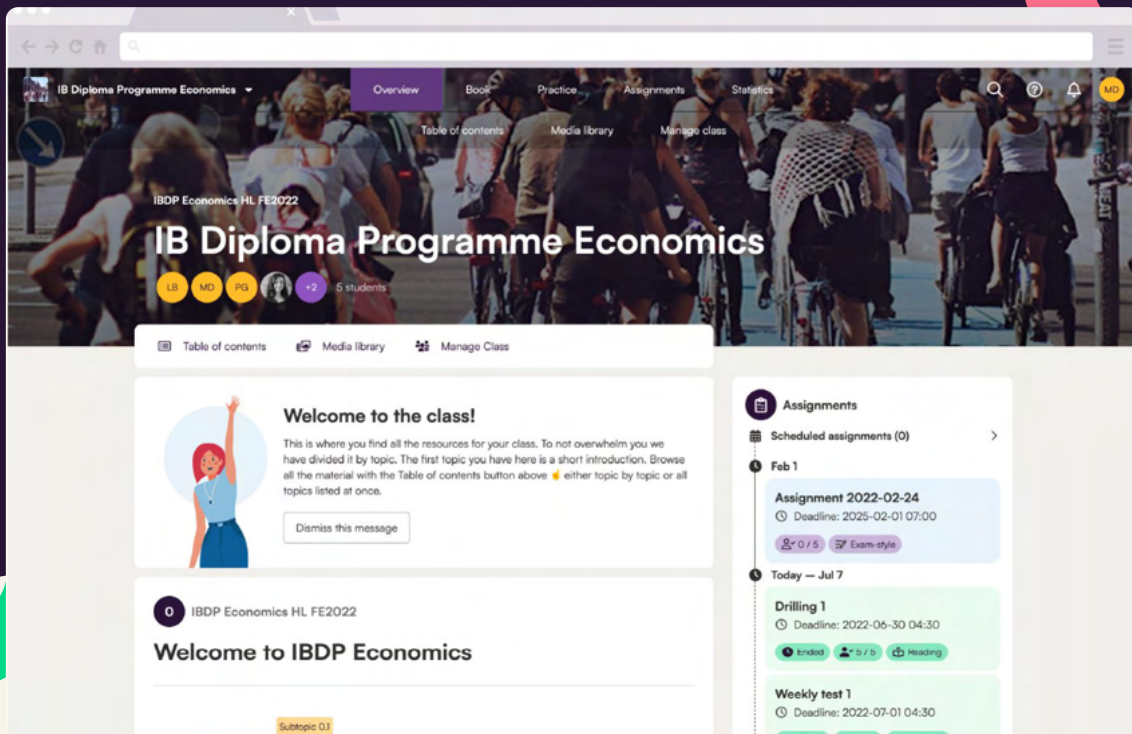


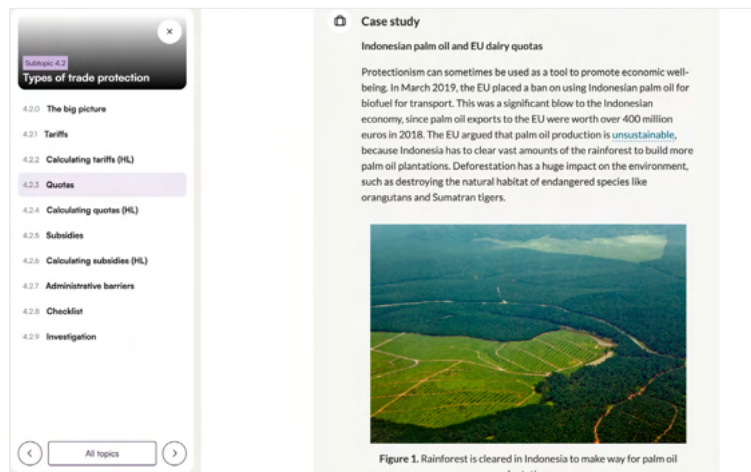
IBDP Economics FE2022



Key Features

Kognity IBDP Economics for first examination 2022 is a comprehensive, interactive resource that supports students' understanding of economic theories while developing skills in inquiry, analysis, and evaluation.

Our book takes a holistic approach to global economics and economic development, and encourages students to explore the interdependencies of the global world through investigations and case studies.



The 9 key concepts are supported throughout the book by adopting a concept-based approach to presenting and evaluating economic theories and models, and through linking concepts to real-world examples.

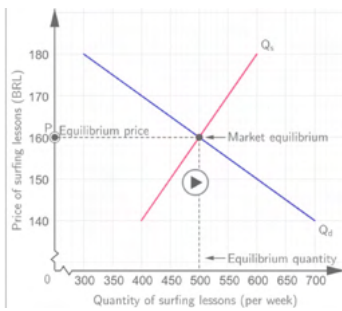
Concept

Interdependence

All economic actors – such as consumers, producers, households, workers and governments – interact with each other within and across borders to achieve economic goals. Interaction creates interdependence. It also creates unintended consequences in a world full of complex systems. **Negative feedback loops** can help maintain stable systems, while **positive feedback loops** can accelerate change.

In this subtopic, we explore the interaction and interdependence between consumers and producers in markets through the changes in supply and demand. This occurs in a system that often (though not always) experiences negative feedback through the price mechanism.

To what extent does the simple market equilibrium model reflect the behaviour of consumers and producers as well as changes in prices and quantities in markets?



Interactive graphs support learning the key diagrams and interactive charts and applets aid in understanding connections, comparisons, and consequences. The visuals are created with digital accessibility in mind.

Our content is written for a global audience, spanning examples and case studies from around the world. Clear language and thorough explanations are complemented by the glossary function to help students with subject-specific terminology throughout the material.

2.3 Competitive market equilibrium

Functions of the price mechanism

Sections completed

As we have learned, scarcity of resources decide what to produce, how to produce a

The way in which price changes affect quantity demanded and quantity supplied, thus determining resource allocation in a market.

See entire glossary

In a free market economy, changes in price, or the **price mechanism**, determine how these scarce resources are allocated in an economy. The price mechanism is the way in which changes in price affect the quantity demanded and the quantity supplied.

5.2 Introduction

Finding and unpacking articles

Characteristics of good and bad articles

Table 1. Characteristics of articles.

Characteristics of good articles	Characteristics of bad articles
Clear articles, with no analysis and extensive explanation	Articles including analysis and explanation
Articles from local or regional printed or online news media	Articles from The Economist or an economics blog
Articles on recent economic events or decisions about government intervention in a market	Articles from the Technology or Fashion section of a newspaper, discussing new trends in technology or fashion
Articles which do not contain the opinion of the author but just facts and figures related to the economic event	Editorials containing the opinion of the editor or articles from sites for learning economic topics
Articles which do not contain	Very long articles or very short articles

In addition to the fully syllabus-aligned book, Kognity IBDP Economics includes a detailed support guide for the Internal Assessment as well as a fully-equipped practice centre.

Do you want to see more? Reach out to info@kognity.com.