

# The Mixed Market Capitalist Economy

Webnote 000

MIND MAP-Scarcity

## What? How? For whom?

Economic theory- themes across the syllabus



Government-  
public sector

**Chart 1: The Problem**

**Scarce Resources**  
FoP = CELL



private  
sector

**Poverty**  
• LEDC  
• PPF

**Scarcity:**  
What?  
How?  
For whom?

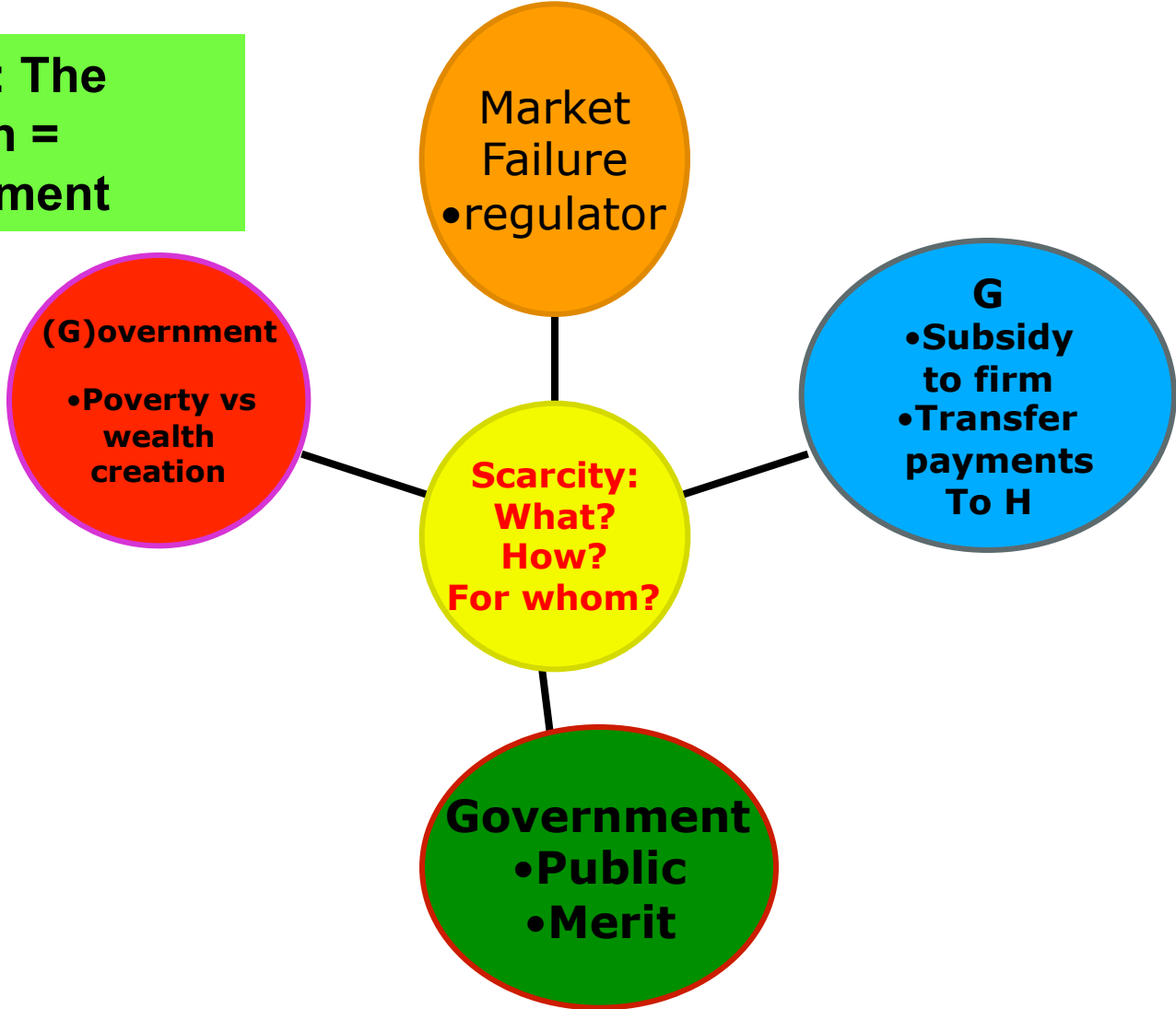
**Unlimited Wants means**  
• Choice i.e.  
O.C.  
PPF

**How to Allocate scarce resources?**

• Market  
• Government

MIND MAP-Scarcity  
Economic theory- themes across the syllabus

**Chart 2: The Solution = Government**

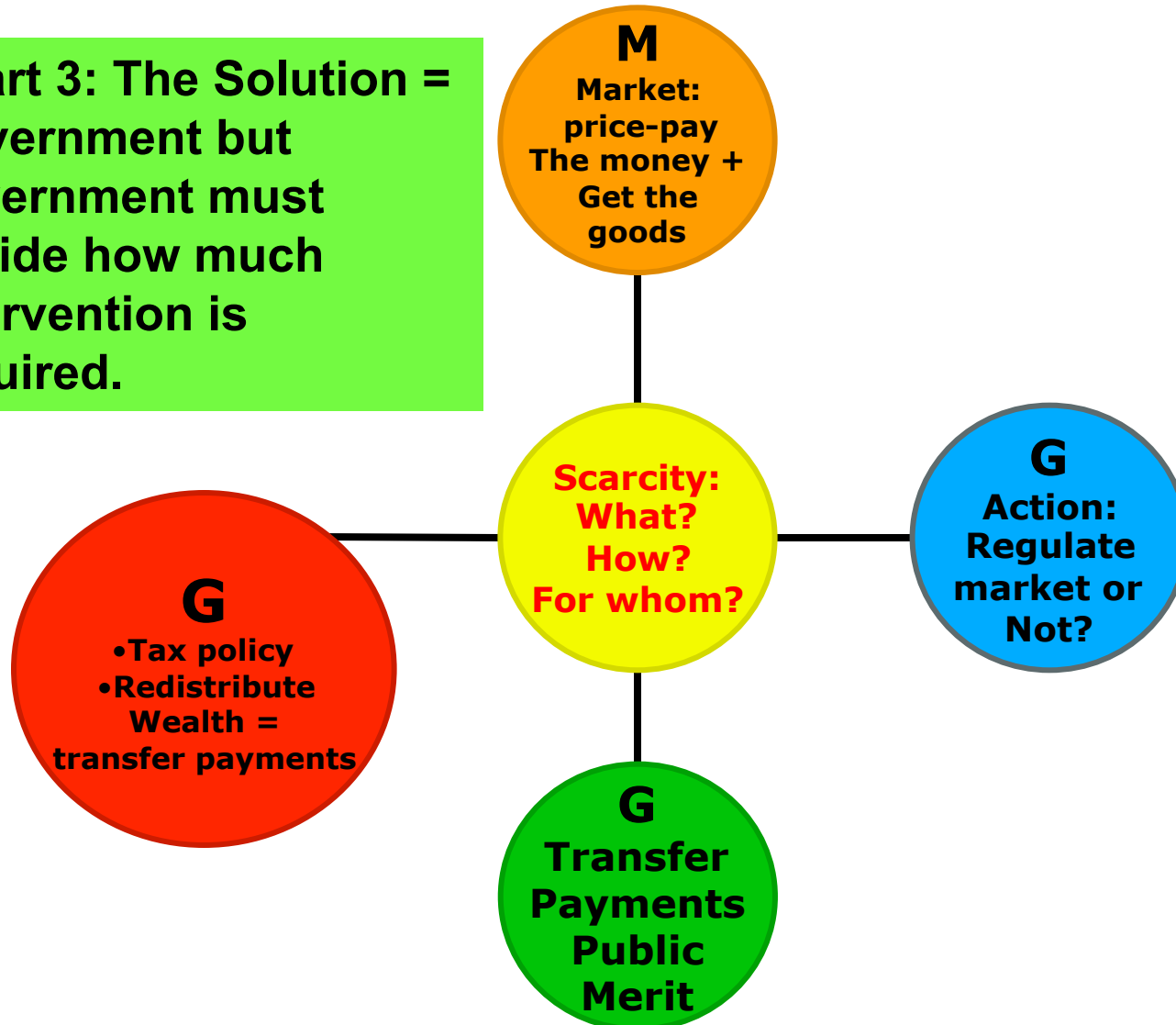


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## Economic theory- themes across the syllabus

**Chart 3: The Solution = Government but government must decide how much intervention is required.**



# Main **Theme** in IB Economics

## Course Theme = Intervention

Consistent throughout the course is: Resource allocation should have either....

- **more...State intervention**
- **or**
- **more...Market**