

## **Big Ideas in 2.3 and Key Questions**

### **IB Unit 2.3: Unit Question**

#### **Big Question: Growth**

**HL 1 2014 May**

**3a) Explain two factors which might cause economic growth. (10 marks)**

**3b) Evaluate the view that the benefits of economic growth will always outweigh the costs. (15 marks)**

### **IB Unit 2.3: Unit Question**

#### **Big Question: Inflation**

**SP1 2014-November**

**3 (a) Explain the difference between cost-push and demand-pull inflation. [10 marks]**

**3 (b) “A rise in the inflation rate will always result in negative consequences for the economy.” To what extent is this statement true? [15 marks]**

**N14/3/ECONO/SP1/ENG/TZ0/XX**

### **IB Unit 2.3: Unit Question**

#### **Big Question: Unemployment**

**HL1 2014-November**

**3. (a) Distinguish between structural and demand-deficient unemployment. [10 marks]**

**(b) Discuss the view that the problem of unemployment can be reduced through the use of supply-side policies.**

**(Note: a similar question could also ask you to consider connection between unemployment and demand side policies.)**

**N14/3/ECONO/HP1/ENG/TZ0/XX**

**IB Unit 2.3: Unit Question**  
**Big Question: Income Distribution**  
**SECTION B**

**4. (a) Using an appropriate diagram, explain how a recession might lead to more poverty. [10 marks]**

**(b) Evaluate the view that attempts to achieve greater equity in the distribution of income will reduce economic efficiency. [15 marks]**

**N14/3/ECONO/SP1/ENG/TZ0/XX**

## **Big Ideas in 2.3 and Key Questions**

### **SL1 + HL1**

#### **Macroeconomics**

**3. (a) Explain the difference between cost-push and demand-pull inflation. [10 marks]**

**(b) “A rise in the inflation rate will always result in negative consequences for the economy.” To what extent is this statement true? [15 marks]**

**N14/3/ECONO/SP1/ENG/TZ0/XX**

### **SL paper 1 2010-May**

**2b Evaluate the effectiveness of an increase in investment expenditure on the performance of an economy.**

**15/25**

### **HL paper 1 2010-May**

**2b Evaluate the likely effects on the economy of relying on demand-side policies to reduce the unemployment rate. 15/25**

### **SL paper 1 2009-May**

**2b Evaluate the view that the unemployment rate can be most effectively reduced through the use of measures designed to increase aggregate demand in an economy.**

**15/25 marks**