

# Main Theme in IB Economics

## Course Theme = Intervention

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

- **more...State intervention e.g. AID**
- **or**
- **more...Market based solutions e.g. enterprise**



**A: Trade Strategies:**  
Economic integration

**B:**  
•Diversification  
•E.g. reduce Trade Dependency  
Can be both state + market approach



**F :**

- FDI
- Micro credit

**Strategies for development**

**C:**  
AID

**D:**  
Market

- Based policies
- privatization
  - deregulation
  - promoting enterprise

- E:**  
Interventionist State to provide:
- infrastructure
  - Merit + public Goods
  - transfer payments
  - Minimum wages

- C:**  
NGO's
- World Bank
  - IMF