

## Choice of topic

Students can choose a topic within any of the syllabus sections in the current *Economics guide*, but they are not restricted to these.

## Use of economic theories, models and tools

Students should undertake an essay that uses the principles of economics as a basis for researching a particular topic. They may take a recent economic event, issue or policy, gather data and apply economic theories, models and tools to evaluate it.

Research questions that do not allow a systematic and meaningful investigation using economic theory and do not require critical analysis and detailed understanding are unlikely to be suitable in economics.

## Multidisciplinary topics

It is essential that students answer the question using economic theories and concepts, and that the work does not diverge into another subject area. Some topics can be approached through different disciplines, such as business management, geography or psychology. Students must therefore ensure they use economic theories, models and tools and meet the subject requirements of economics.

Alternatively, if students wish to approach a topic from the perspective of economics and another discipline within the Diploma Programme, they can undertake an interdisciplinary World Studies EE .

## Five-year rule

Topics should not be historical. They should relate to economic information, policies, outcomes or events that are no more than approximately five years old. Topics that are too retrospective, such as “What was the impact of the global financial crisis on unemployment in the United States from 2007–2010?” almost invariably become descriptive.

Essays should also not be based on future economic events. For example, “What will be the effect of the 2026 Football World Cup on the economy of Country X?” would not be suitable as it would be entirely speculative and unsupported.

## Opportunities for analysis

The topic chosen should provide opportunities for some critical analysis of the information that is gathered. Students should avoid topics that depend entirely on summarizing secondary data, as they tend to lead to an essay that is essentially narrative or descriptive in nature.

Restricting the scope of the essay is necessary to ensure a clear focus, and will also provide opportunities for demonstrating detailed understanding of economics and critical analysis.

## Suitable areas of economics

Macroeconomics topics may be chosen, but it is essential that the research question is narrowed to a reasonable focus on a particular part of the economy and is **not** on the economy as a whole.

Topics researching economic development are highly suitable, but the research question should relate to a particular aspect of development or a limited area. It would not be suitable, for example, to examine the effect of some government policy on the development of the whole economy.

## Examples of topics

These examples are for guidance only. Students must ensure that their choice of topic is focused (left-hand column) rather than broad (right-hand column).

✓	✗
Focused topics	Broad topics
The effect of the recent imposition of a minimum wage in Austria on unemployment in the fast food industry in Graz	The effect of the minimum wage on unemployment in Austria
The effect of a fall in the exchange rate of the US dollar and its effect on the tourist industry in Carmel, California	How the fall in the exchange rate of the US dollar affected the US economy
The economic effect of water privatization on the farming industry in my region of Zambia	How the privatization of water affected Zambia