
Worksheet 1: Economics as a Social Science

IB Economics - Introduction to Economics / Foundations | Trimester school assessment practice

Name: _____

Date: _____

Total: 42 marks

Instructions: Answer all questions. Use accurate economic terminology. For extended responses, include definitions, application, analysis and evaluation. HL-labelled questions are suitable for extension practice.

Section A: Multiple choice questions [5 marks]

- Which statement best explains why economics is classified as a social science?
 - It studies chemical reactions in markets.
 - It studies human behaviour and decision-making in society.
 - It only uses laboratory experiments.
 - It avoids using evidence or data.
- The main objective of economists, according to the text, is to:
 - maximise business profits only.
 - explain and analyse economic issues to improve well-being.
 - replace all government decisions with markets.
 - prove that resources are unlimited.
- Which discipline is most clearly connected to the social nature of economics?
 - Astronomy
 - Psychology
 - Geology
 - Organic chemistry
- A model in economics is mainly used to:
 - copy the real world perfectly.
 - simplify reality in order to analyse relationships.
 - avoid making assumptions.
 - remove the need for empirical data.
- Economic theories are strengthened when they are supported by:
 - opinions only.
 - logic and empirical evidence.
 - advertising slogans.
 - unlimited resources.

Section B: Short-answer questions

- Define economics as a social science. [3 marks]
- Explain one similarity and one difference between economics and a natural science. [4 marks]
- Outline why values and natural surroundings may influence economic decision-making. [3 marks]
- Explain why the economic world is described as dynamic. [3 marks]

Section C: Data response / case study

Case study: A city council is deciding how to respond to rising housing costs. Some residents want rent controls, others want more private construction, and some argue that public money should be spent on schools instead. Economists gather data on rents, incomes, housing supply and migration patterns, but the final decision also depends on social values and political priorities.

- Identify two pieces of empirical data that economists could use in this case. [2 marks]
- Explain why the issue involves both positive analysis and value judgments. [4 marks]
- Discuss one reason why a simplified economic model may still be useful in analysing the housing problem. [4 marks]

4. Suggest one possible unintended consequence of a housing policy in this case. [3 marks]

Section D: Extended response

Evaluate the view that economics should be considered a science even though it studies human behaviour. [12 marks]

Recommended structure: define key terms, apply to the case or examples, develop analysis with cause-and-effect reasoning, and finish with a balanced judgment.

Answer key and marking guidance

Award marks for valid economic reasoning. Accept alternative examples if they are accurate and clearly linked to the question.

Section A answers

1. B 2. B 3. B 4. B 5. B

Section B marking guidance

1. Award up to 3: social science (1); studies society/human behaviour (1); focuses on choices, needs, wants, resources or well-being (1).
2. Up to 4: similarity such as use of evidence/scientific method/models (2); difference such as human behaviour is less predictable, influenced by values/institutions (2).
3. Up to 3: values affect what people/governments consider fair or desirable (1-2); natural surroundings affect resource availability, production and sustainability (1-2).
4. Up to 3: economies change due to technology, institutions, politics, culture, markets and behaviour; answer must link change to economic analysis.

Section C marking guidance

1. Any two valid data points: rents, income, vacancy rates, construction costs, population growth, migration, household size, waiting lists.
2. Positive analysis uses evidence about causes/effects; value judgments concern what is fair, acceptable or desirable; housing policy requires both.
3. Models simplify complex reality, isolate key variables such as supply, demand, rent and income, and help predict possible effects; limitations may be noted.
4. Valid consequence such as reduced rental supply, higher construction incentives, displacement, budget pressure, lower quality housing or inequality effects.

Section D marking guidance

High-level response should explain that economics uses theories, models, logical reasoning and empirical data, supporting its scientific character. It should also evaluate limitations: human motivations are complex, values and ideologies affect choices, controlled experiments may be difficult, and predictions may be uncertain. Strong answers reach a balanced judgment that economics is a social science: scientific in method, but different from natural sciences because its subject matter is human society.

12-mark guidance: 1-3 knowledge of social science/scientific method; 4-6 application to economics; 7-9 analysis of strengths and limitations; 10-12 balanced evaluation and reasoned conclusion.