

# Economics

Welcome,

This summer task is designed to get you thinking ready for the first few weeks of the course. It also provides a brief outline of the course structure and a reading list of sources. If you have never studied Economics before, you will have also seen it in action on the News within articles about BREXIT, Eurozone Crisis, and the Cost-of-Living Issues. It is important in order to be successful that throughout the A Level you link the theory covered to the real-world situations as this will allow you to analyse and evaluate concepts. You will get more out of the course if you are reading and using the prevailing economic climate in a global context.

You have activities to complete over the summer and into the first term. These tasks should hopefully get you thinking about many Economic issues that are happening in the UK and globally now. As you think about the questions, always think about the reasons that justify an opinion. These tasks will help you as within the first week of the Autumn term there will be an Initial Maths Assessment and within the third week of the Autumn term there will be a written assessment based around the topics and countries that you are researching. Without this work, you will struggle!

Tutor2U have a free structured transition programme for you to use as well as these tasks. It involves watching short videos and doing some interactive tasks. A terrific way to gain confidence in Economics and highly recommended.

<https://www.tutor2u.net/economics/collections/head-start-for-alevel-economics-transition-resource-year-11-students>

We recommend the following two student guides for Year 12 to keep at home and use for additional information on topics or reminders (available from all good retailers!):

Pearson Edexcel A-Level Economics A Student Guide Theme 1:  
Introduction to markets and market failures by Mark Gavin

Pearson Edexcel A-Level Economics A Student Guide Theme 2: The  
UK economy: performance and policies by Rachel Cole and Quentin  
Brewer

## Basic Course Overview

You will study Edexcel Economics A course over 2 years which is assessed at the end of the course by three examinations, testing Markets and Business Behaviour in Paper 1, The National and Global Economy in Paper 2 and all Micro and Macro Economics in Paper 3.

Here is the exam board's website to find out more information:

<https://qualifications.pearson.com/en/qualifications/edexcel-a-levels/economics-a-2015.html>

### Task 1:

#### Economics Terms Activity

Match the Economics terms and phrases with the statement

Economic Terms	Statements
1. Collective Bargaining	A. Reflects productivity and growth
2. Standard of Living	B. Rivalry among sellers for the customer's money
3. Freedom	C. Special quality of a competitive economic system
4. Capital	D. Study of production, distribution, and consumption
5. Communism	E. Economy where the government has central control
6. Production	F. Someone who uses good and services
7. Profits	G. Amount left over after the costs of running the business have been paid
8. Free Enterprise	H. Value of all goods and services produced in the country within a year
9. Regulation	I. Rules enforceable by law
10. Tax	J. The uses of goods/services for the production of capital goods or for the satisfaction of personal needs and wants
11. Competition	K. Economic system characterized by private ownership of capital goods
12. Consumer	L. Making goods and providing services for human consumption
13. Economics	M. A process by which unions establish higher wages and better working conditions
14. Gross Domestic Product	N. Money that is collected from businesses and individuals to fund a government's budget
15. Consumption	O. Money used to start or expand a business

## Task 2:

### The Bank of England Research Activity

Use <https://www.bankofengland.co.uk/knowledgebank> to find the following information:

- a. When was the Bank of England founded?
- b. What is the nickname of the Bank of England?
- c. What is the main function and roles of the Bank of England?
- d. Who is the present governor of the Bank of England?
- e. What happened to the Bank of England in 1997?
- f. What is the number of gold bars currently held in the vaults at the Bank of England?

## Task 3:

### Inflation Research Activity

Watch the following clip: <https://www.tutor2u.net/economics/reference/inflation-and-deflation-revision-presentation>

and use other websites to find out the following:

- a. The current government target for inflation
- b. How inflation is measured
- c. What has been put into this year's basket of goods and what has been taken out
- d. Reasons for inflation
- e. How the Bank of England can control inflation
- f. Reasons why it is important for inflation to not be too low or negative (deflation)

## Task 4:

### GDP Research Activity

Watch/read the following regarding GDP and find out:

[GDP and the economic cycle.wmv - YouTube](#)

<https://commonslibrary.parliament.uk/research-briefings/sn02783/>

- a. What does GDP stand for
- b. What GDP measures
- c. The total value of GDP for the UK last year
- d. The UK's current GDP per capita
- e. the economic term used to describe a six-month period of negative growth
- f. the economic term used to describe exceptionally high growth

### Task 5:

Interest Rates/Monetary Policy Research

<https://www.bbc.co.uk/news/business-57764601>

Find out online using the Bank of England Website and Tutor2U, plus BBC news:

- a. What are interest rates
- b. How interest rates influence spending and saving
- c. What do interest rate changes mean for mortgages

### Task 6:

Maths!

In the first week we will ask you to sit an Initial Mathematical Assessment. It should be very achievable with your GCSE in Maths but make sure you are up to date with the following topics:

- a. Percentages and Percentage Change
- b. Averages Calculations (Mean, Median, etc.)
- c. Converting between exchange rates
- d. Reading from graphs

### Task 7:

Bringing this all together!

In our Taster Day in July, we looked at Economic Measures including CPI and GDP per capita and focused on Japan's Economy.

<https://www.bbc.co.uk/news/business-61718906>

Hopefully from your above tasks you have been gathering information about the UK's economy too. We would like you to research another country too that you could use to compare and contrast with the UK and Japan. Try to pick a country that would have an economy that is different so that it is easier to compare. This will enable you to answer questions in the Week 3 Assessment and learn lots about the economy of the world!

Places to gather information throughout the course:

Websites:

<https://www.tutor2u.net/economics>

<https://www.economicshelp.org>

<https://econplusdal.com>

<https://www.economicsonline.co.uk>

Great for Economics in the News:

<https://www.bbc.co.uk/news/business/economy>

<https://www.theguardian.com/business/economics>

<https://www.telegraph.co.uk/business/economy/>

<https://www.independent.co.uk/money>

Great for Economic Data:

<https://www.ons.gov.uk>

<https://tradingeconomics.com>

Magazines:

Economic Review

The Economist