



# Sixth Form Preparation for Success

## Welcome to Economics

AQA A-Level 7136



### Introduction

Economics is about studying the world around us from a social, financial and cultural perspective. The subject looks at all the different factors that affect wealth and well-being

<https://www.aqa.org.uk/subjects/economics/as-and-a-level/economics-7135-7136>

### Part I – Y11 into 12 Economics Specific Bridging Work To be completed May – Sept

Remember - prizes will be awarded for 'exceptional' work that demonstrates effort above expectation!

**a) Investigate places of interest** – although you won't be able to physically visit places during lockdown, many organisations have links to virtual tours and online webinars. Contact customer services with any questions – people love to hear from students who take an interest in their line of work

- Do a virtual tour of the Houses of Parliament at  
<https://www.parliament.uk/visiting/virtualtour/>

- Follow in the footsteps of some of the world's greatest Economists

<https://www.ucl.ac.uk/economics/about-department/famous-economists/economist-walks-around-london>

## b) Wider reading

The main text book covers the entire 2 year course and is a useful guide for all the topics we will be covering. However, it is not COMPULSARY to have a copy of this book.

- AQA A-Level Economics - fourth edition, Ray Powell & James Powell (Hodder Education 2019) ISBN: 9781510451957

The following two magazines are published 4 times per year on a subscription basis. You can also order back copies. These are specifically written for A-Level Economics students and carry some really relevant real life examples of economics in action, together with exam techniques etc. Again, not compulsory, but a worthwhile addition to your learning.

- Economics Today (Published by Anforme) – 4 copies per year on a subscription basis
- Economics Review (Published by Hodder Education) – 4 copies per year on a subscription basis

Several websites are worth a look to help you get your head around the topics within economics, and many will prove valuable throughout the course.

- [www.tutor2u.net/economics](http://www.tutor2u.net/economics)
- [www.economicsonline.co.uk](http://www.economicsonline.co.uk)
- Also, check out EconplusDal on Youtube

**Keeping in the loop:** Successful candidates MUST keep an eye on the news to keep informed of how events effect the economies of different countries around the world.

**Download the BBC News app onto your phone:** <https://www.bbc.com/news/10628994> Make sure you follow the Economy page (under Business).

## c) Compulsory tasks

**Macroeconomics:** This branch of economics that studies the behaviour and performance of the economy as a whole. It also involves comparing different economies across the globe. Terms with which you will become familiar are: Economic growth, inflation, unemployment, consumer spending, fiscal policy, monetary policy etc. Questions to be answered include: Why are interest rates so low? How will the covid-19 pandemic affect global economies? What was the US China trade war all about?

In preparation for this branch of economics, you need to complete the following tasks:

## **Task 1**

<https://www.tutor2u.net/economics/reference/macroeconomic-objectives-and-macro-stability>

1. Using the link above, **watch** the video on Macroeconomic objectives
2. Summarise the information in an A4 one sided poster

## **Task 2**

Using the internet, find out the current figures for the following economic indicators. Present your work in a table which includes the date you accessed the information and a definition of each indicator. You may find the Office for National Statistics website helpful in gathering much of this information.

1. Unemployment rate
2. Economic Growth rate (or GDP)
3. Inflation rate
4. Interest rate
5. Average earnings
6. Household savings
7. Minimum wage
8. Average house price
9. Household debt
10. Government borrowing
11. National debt
12. Government deficit
13. Value of exports
14. Value of imports
15. Value of the £

Eg:

Date	Economic indicator	Definition	Value
Feb 2020	Inflation	The increase in the general price level	1.7%

**Microeconomics:** This branch of economics is the study of individuals and firms in making decisions regarding the allocation of scarce resources, and how they react with each other. Terms with which you will become familiar are: Opportunity cost, Negative externalities, subsidies, minimum price, production possibility frontier. Questions to be answered include: Why does the government put tax on cigarettes? Why was the proposed merger between Sainsburys and Asda blocked? Why are energy prices consistently high?

In preparation for this branch of economics, you need to complete the following tasks:

### **Task 1**

One major area of microeconomics which forms the foundation of the subject, is the theory of demand. Watch the following video and then, in your own words, write out a summary of demand using at least one diagram and your own examples.

<https://www.tutor2u.net/economics/reference/theory-of-demand>

### **d) Stretch!**

The UK is currently in the 'transitional' phase of BREXIT. Use the internet to research what effects Brexit is likely to have on the UK economy eg. how might it affect jobs, exports, the farming/fishing industries, etc? Produce a newspaper article with headline and picture to explain this to the ordinary man/woman in the street.

## **Part II - Year 12 Head Start! for completion June – September**

**Specification:** In Economics, we use the AQA specification which can be downloaded using the following link: <https://www.aqa.org.uk/subjects/economics/as-and-a-level/economics-7135-7136>

**Scheme of Work:** The course is divided into 4 parts: Y1 Microeconomics, Y1 Macroeconomics, Y2 Microeconomics and Y2 Macroeconomics. The majority of Y1 Microeconomics will be covered in the Autumn term 2020. The topics will be:

### 1 – Economic Methodology & the Economic Problem

Economic methodology

Nature & purpose of economic activity

Economic resources (factors of production)

Scarcity choice & allocation of resources

PPF & Opportunity cost

## 2 – Price Determination in a Competitive Market

Determinants of price (Demand)

Determinants of supply

Elasticities of demand (price, income, cross-price)

Elasticity of Supply (PES)

Determinants of equilibrium market price

Interrelationships between markets

## 3 – Production, Costs & Revenue

Production & Productivity

Specialisation, division of labour & exchange

Costs of production

Economies & diseconomies of scale

Average & Total revenue & profit

## 4 – Competitive & Concentrated Markets

Market structures

Objectives of the firm

Competitive markets

Monopoly & monopoly power

## 5 – Market mechanism, market failure & government intervention

How markets & prices allocated resources (Price mechanism – signal, incentive, ration, allocate)

Meaning of market failure

Public goods, private goods, quasi-public goods

Positive & negative externalities in consumption & production

Merit & demerit goods

Market imperfections (eg. Imperfect information, monopolies)

Distribution of income & wealth

Government intervention (eg. Regulation, pollution permits, tax/subsidies, minimum/maximum pricing)

Meaning of Government failure

**Useful websites:** The following list of websites can be accessed to supplement the classroom lesson material and help secure knowledge.

<https://www.tutor2u.net/economics> Lots of powerpoints, videos, revision notes, online lessons, etc on all topic areas of Economics

<https://www.youtube.com/user/EconplusDal/videos?app=desktop> short video explanations on individual topics by this Economics youtuber.

<https://www.economicsonline.co.uk/> Explanations of different topics.

<https://www.bbc.co.uk/news/business/economy> And other BBC website pages eg. Business for all the relevant, up-to-date examples of Economics in action. Great for application purposes in written work.

Other useful sites which should be regularly viewed and can be referred to in lessons:

[www.ft.com](http://www.ft.com)

[www.theguardian.com](http://www.theguardian.com)

[www.economist.com](http://www.economist.com)

**Text Books:** We do not work specifically from a text book, but will occasionally use the case studies or test questions from the following book (please note, it is NOT necessary for you to purchase a copy of this book):

Economics 4<sup>th</sup> Edition by Ray Powell & James Powell (Hodder Education)

ISBN: 9781510451957

