

Progression - Economics

1. Thinking of studying A Level Economics at Worcester Sixth Form College?

Economics is all around us it affects everything we do such as going to school, buying clothes, the food we eat and where it comes from and how governments operate. Recent events such as BREXIT and the recent health situation has brought about many changes to Economies around the world. It is a truly fascinating time to be studying the subject. It is a highly analytical and evaluative subject.

We teach the **AQA** specification. Here is a brief summary of the topics we cover over the two-year course. If you want to find out more about each of these topics, you can find the full specification on the AQA website:

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

Syllabus Overview – Two main aspects Micro and Macro

Micro Economics - Individuals, firms, markets and market failure

- The Economic problem - how scarce resources are shared out in the world.
- Individual economic decision making – how and why consumers make decisions about what to consume and how much
- Price determination in a competitive market – how prices are set and why they change
- Production, costs and revenue – how firms decide what to produce and how much
- Perfect competition, imperfectly competitive markets and monopoly – how different markets are organised and what this means for firms and consumers
- The labour market – how wages are set, the impact of minimum wage, wage inequality
- The distribution of income and wealth: poverty and inequality – why does inequality occur? Is it important?
- The market mechanism, market failure and government intervention in markets – why do governments need to pass laws such as the sugar tax?

Macro Economics The national and international economy

- The measurement of macroeconomic performance – how do we measure the success of different economies using data on areas such as unemployment rates, economic growth, recession etc
- How the macroeconomy works – why does the economy change in areas such as unemployment, growth etc?
- Financial markets and monetary policy - why did The Financial Crash occur? What has happened to avoid this happening again? What is the role of the Bank of England?
- Government Policies – what do Governments do to manage the economy?
- The international economy – what is happening around the world, how can we address global warming, how can we analyse the performance of other nations?

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Activities: These have been designed to help you bridge the gap from school to college and start to investigate economics, which will be for many of you a new subject.

Task One – Introduction Activities, clips and presentations on the two main aspects of economics.

Task Two – Activities, clips and presentations on globalisation

Task Three – Inflation – Links and activity

Task Four – Interest Rates – Links and Activity

Task 5 – Economics in Action

Additional ideas for reading and watching over the summer.

Please bring your work and questions and ideas to college at the start of the academic year.

Task One Introduction

To start and to get an understanding of the overview of economics click on the link below to a range of short video links and activities getting your brain thinking about economics and what it is all about. The activities are interactive and you can have repeated attempts. Don't worry if you get things wrong, have another go and think about the reasons why. You need to work through each section. At the end is the optional Enrichment Clip and extended reading links.

<https://www.tutor2u.net/economics/reference/head-start-economics-introduction-to-macroeconomics>

Task Two Globalisation

A key area is international economics and how the differing economies compete, cooperate and integrate. Click on the link below to a range of short video links and activities getting focused on gaining an understanding of globalisation. You need to work through each section. At the end is the optional Enrichment Clip and extended reading links.

<https://www.tutor2u.net/economics/reference/globalisation-head-start-to-a-level-economics>

Task Three Inflation

One of the goals of government is to have a slow steady rate of inflation meaning that the average prices in the economy are increasing at this steady rate,

Watch the following clip which gives an overview of what inflation is.

<https://www.investopedia.com/terms/i/inflation.asp>

Now follow this link to The Bank of England inflation calculator, have a look at how the purchasing power of money has changed over time. Ask the other people in the household to see if they can predict the changes, maybe from the year they were born to 2019.

<https://www.bankofengland.co.uk/monetary-policy/inflation/inflation-calculator>

Exploring inflation -

<http://www.bankofengland.co.uk/education/Pages/resources/films/default.aspx>

Now complete the following table (you will need to look at other websites as well):

1.The current government target for inflation	
2.How inflation is measured in the UK	
3.What has been put into this year's basket of goods and what has been taken out	
4.The difference between CPI and RPI	
5.Reasons for inflation	
6.Reasons why it is important for inflation to remain stable	
7.Plot the rates of inflation since 2000	
8.How the Bank of England can control inflation	
9.The current interest base rate	
10.What is deflation	

11. Find the latest inflation rate for Venezuela (include the date)	
12. Find the latest inflation rate for Nigeria (include the date)	
13. Find the latest inflation rate for the UK and two other European countries, (include the date)	

Why do the rates of inflation differ so much?

- a. Reasons why it is important for inflation to not be too low or even negative (deflation)

Good sources include the BBC / trading economics / Tutor2U/ World Bank / Bank of England. Have a look.

Task Four Interest Rates

One of the key tools used to manage the rate of inflation is the setting of interest rates, part of Monetary Policy.

Watch the following clip: What are interest rates? - <https://www.bankofengland.co.uk/monetary-policy/the-interest-rate-bank-rate>

Now complete the table below

1. Define interest rates	
2. What is the UK Base Rate of Interest?	
3. What is the purpose of changing the Base Rate of Interest?	
4. Who sets the Base Rate of Interest in the UK?	
5. Find the latest interest rate for the UK (with the date)	
6. Find the latest interest rate for Argentina (with the date)	
7. Find the latest interest rate for the USA (with the date)	

Why may interest rates in the UK increase over the next five years?

Task Five Economics In Action

1. Follow the link below to the BBC news website, the economy section. Choose three stories to read and summarise in no more than 100 words. Make sure you include why this is of significance in Economics.

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

2. Another useful source is TED Talks, they link to many current areas in economics

Go to the TED Talks economics homepage (see link below)

<https://www.ted.com/talks?sort=newest&topics%5B%5D=economics>

Choose one of the following links to individual talks that most appeal to you. Choose one other Economics TED talk either from the following links or another one, so two in total.

What causes an economic recession?

https://www.ted.com/talks/richard_coffin_what_causes_an_economic_recession

What is the future of capitalism?

https://www.ted.com/talks/adena_friedman_what_s_the_future_of_capitalism

How Does the stock market work?

https://www.ted.com/talks/oliver_elfenbaum_how_does_the_stock_market_work

How Does Differing Income Levels Impact on Brain Development in Children?

https://www.ted.com/talks/kimberly_noble_how_does_income_affect_childhood_brain_development

After watching each talk, summarise it in 50-100 words.

As I said at the start Economics is all around us, the best thing you can do in preparation for studying economics is to take time each week to read about the UK / global economies. What is happening to unemployment? What is happening to inflation? What is happening to economic growth? What is happening to exports and imports. Even if you are unsure ... note down questions.

The BBC website is a great starter but use the links below to help stay informed.

Have a good summer and on behalf of the Economics team we look forward to meeting you in the new academic year and discussing what has been in these unprecedented times in the national and global economy..... happy reading.....

Recommended reading and watching for the summer:

Websites:

Great for A level Economics theory:

- Tutor2u - <http://www.tutor2u.net/economics>
- Economics Help – <http://www.economicshelp.org>
- EconplusDal – <http://www.econplusdal.com>
- Economics Online - <http://www.economicsonline.co.uk/>
- Investopedia – <http://www.investopedia.com>
- YouTube – there are a wide range of YouTube revision videos available on all A Level Economics topics, popular channels include EconplusDal and Khan Academy

Great for economics in the news:

- BBC News (economy section) - <http://www.bbc.co.uk/news/business/economy>
- The Guardian (economics section) –
- <https://www.theguardian.com/business/economics>
- The Telegraph (economy section) –
- <http://www.telegraph.co.uk/business/economy/>
- The Independent (money section) –
- <http://www.independent.co.uk/money>
- This is money –
- <http://www.thisismoney.co.uk>

Great for economics data:

- Office for National Statistics - <https://www.ons.gov.uk/>
- Trading Economics – <http://www.tradingeconomics.com>

Books:

- The Economics Book by Niall Kishtainy
- Economics: The User's Guide: A Pelican Introduction by Ha-Joon Chang
- Cracking Economics by Tejvan Pettinger
- Freakonomics: A Rogue Economist Explores the Hidden Side of Everything by Levitt, Steven D., Dubner
- The Undercover Economist by Tim Harford
- The Euro by Joseph Stiglitz
- Capital in the Twenty First Century by Thomas Piketty
- Doughnut Economics by Kate Raworth
- GDP: A Brief but Affectionate History by Professor Diane Coyle

Magazines:

- Economic Review
- The Economist

Films:

- The Big Short (2015) – biographical drama-comedy film
- Margin Call (2011) – drama film
- Rogue Trader (1999) – biographical drama film
- Boiler Room (2000) – crime, drama film
- Wall Street (1987) – drama film
- Enron: The Smartest Guys in the Room (2005) - documentary
- Inside Job (2010) – documentary

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