

# WEST COVENTRY SIXTH FORM



## SUBJECT TRANSITION BOOK Summer 2019

# ECONOMICS

STUDENT NAME:

SCHOOL:

This booklet has been prepared by Economics staff for you to read and the work contained in it will ensure that you get off to the best possible start in this subject area. It is very important that you read this booklet carefully over the summer and have a thorough attempt to complete the work and submit it at the start of the year to your subject teacher in the very first lesson. This will be the first impression you create and is a real indicator of how seriously you are prepared to be in your studies.

## A-Level Economics

### The key staff are:

Mrs McCarron – Subject Leader: Business & Economics, West Coventry Academy <i>Stafflea@westcoventryacademy.org</i>
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## Course Details

### **Course Title: A-level Economics**

**Exam board:** OCR

**Exam Code:** AS/ Year 1 = H060    2 Year **A level** – H460

**Exam Board web site:** [www.ocr.org.uk](http://www.ocr.org.uk)

**Assessment method:** The Economics A level is assessed by through examinations in both micro and macro economics, (at the end of Year 1 – AS, or Year 2 - Full A level) with a further Themes in Economics exam attached to the full A level course.

**Minimum requirement:** Standard entry requirements of five A\*-C grades including English Language at Grade B and Mathematics at Grade B. It is not necessary to have studied Economics or Business Studies at GCSE level.

### **About the course**

Economics is a robust academic course seeing a significant revival in popularity over the last 10 years, which combines the theoretical process behind the ways in which resources are allocated and decisions are made, with practical application to the modern economic world. Students will learn subject content alongside real economic events, as the global recession and recovery, the role of governments in achieving economic aims, and the inequalities of resources allocation around the world, the importance of BRIC, MIST and MINT economies, as well as the developing world.

**Year 1 / AS – Microeconomics** is 50% of AS (but doesn't count towards the full A level) and covers the introductory aspects of microeconomics, including development and design of economic systems in allocating resources, the functions of demand and supply, the ways in which markets work, and fail, and the solutions available to decision makers in solving failing markets. The exam contains 15 x Multiple choice questions, 25 marks for data response and 1 x 20 mark essay.

**Year 1 / AS – Macroeconomics** is 50% of AS (but doesn't count towards the full A level) and provides an introduction to macroeconomic activity, analysing the management of the UK economy, policies, perils and pitfalls, including Inflation, unemployment, interest rates, exchange rates, price and aggregate demand, the balance of payments, economic growth, income redistribution, economic stability, and policy implementation including; fiscal, monetary and supply side policies. The exam contains 15 x Multiple choice questions, 25 marks for data response and 1 x 20 mark essay.

**A level Year 2 – Microeconomics** which is 33% of the A level focuses on attempts to understand the key issues behind the labour market, including models of market structure (Monopoly, MC, PC and Oligopoly), demand and supply with labour markets and the need the importance of leisure in determining labour supply. The Examination also will also include all microeconomic concepts from year 1.

**A Level Year 2 – Macroeconomics** which is 33% of the A level. This unit provides the conceptual framework for the understanding, analysis and evaluation of macroeconomic performance in national, regional and global contexts. It considers the causes and consequences of economic growth in: developed economies, such as the UK; regional blocs such as the EU; developing economies; and the wider global economy. It emphasises the ways in which individual economies and regional blocs are interdependent through trade, the process of economic integration and the increasing globalisation that characterises current economic activity. The Examination also will also include all macroeconomic concepts from year 1.

**A Level Year 2 – Themes in Economics** which is 33% of the full A level and combines all elements from across the specification.

### **Academic and Career Pathways**

Economics provides you with the skills required to study at a higher level whilst also developing the background knowledge that will be useful in the work place. Students who have studied Economics in the past have followed a wide range of pathways including university, training schemes, employment and successfully starting their own entrepreneurial ventures. For university the course is particularly suitable preparation for all economics courses, as well as being a facilitating subject for many other prestigious degree areas.

### **What equipment will be needed for the subject?**

An A4 ring binder.

Dividers

Lined paper / Graph Paper

Pens, pencils, rulers (rubbers). . You will draw plenty of Graphs! (some incorrectly!)

A calculator – This subject contains Mathematics!

**Please complete the following assignments over summer ready to discuss on the very first lesson in this subject:**

## Activity 1 – Economic Thinking . . . .

You need to have an economic Point of View . . . . read all of the statements and questions below, and decide where your opinion on the matter lies.

- What happens when oil eventually runs out?
- Why can't we just pay doctors and nurses more money?
- Why can't I just get a grant to go to university?
- The unemployed should get off their backsides and get a job!
- Why do people always get so excited about interest rate changes?
- Inflation - no idea what it is; it doesn't affect me!
- It's obvious that fining polluters would stop them from doing it!
- We should just wipe out the debt that third world countries owe us.
- I never seem to have enough to get what I want, I wish I could win the lottery - not millions just enough to get by!
- That CD I bought was a real bargain at £10 - I would have paid anything up to £30 to get it, it is sooo cool!
- It's crazy, fishermen are catching decent fish and have to throw half of them overboard - even though they are dead!
- It's not fair, they are the only firm I can buy from and they are so expensive; I don't have any choice!
- It's so annoying, the price of my train journey is twice as expensive before 9 o'clock!
- Not another threatened strike, why don't they just go back to work?

## Activity 2: Famous Economists?

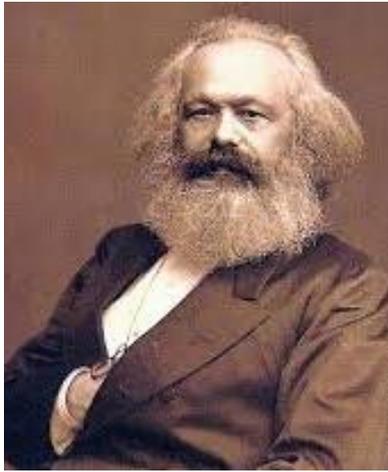
Who are they? What are they famous for thinking?



1.	2.	3.
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4.
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5.

6.



7.

8.

### Activity 3: Watching TV

#### **FISCAL, MONETARY AND SUPPLY SIDE IN ACTION!**

You need to watch the Masters of Money series . links are provided below . . Keynes provides a demand management PoV for beating recession, Hayek is at worst a monetarist, can't abide the concept of socialism and believes in a true free market with no interference, and Marx is the most famous of all socialist thinkers. All have theories which could beat recession in different ways. . . . I think you will all end up as supporters of Hayekianism, but is any country brave enough to completely let go! Each documentary is an hour.

John Maynard Keynes - <http://www.youtube.com/watch?v=-vQer7Q95xk>

Freidrich A Von Hayek - <http://www.youtube.com/watch?v=tdDGUI7SncQ>

Karl Marx - [http://www.youtube.com/watch?v=L3B\\_bgLd\\_8](http://www.youtube.com/watch?v=L3B_bgLd_8)

## Reading List

### Books, newspapers and magazines

Any good Economics textbook will help you with the independent work outside of school.

#### A2 textbooks

OCR Economics for A Level Year 2: Textbook by Peter Smith, Hodder (2015)

(ISBN: 9781471829956)

#### AS textbooks:

OCR Economics for AS / A level Year 1: Textbook by Peter Smith, Hodder (2015)

ISBN: 9781471829895

### **MUST READ: (ESSENTIAL BEDTIME BOOKS)**

1. 'The Undercover Economist' or 'The Undercover Economist Strikes Back' – Tim Harford, turns everyday life into a battle of pure economics
2. '50 Economic Theories you really need to know' – Edmund Conway, essential chronology of economics
3. '23 Things they don't tell you Capitalism' - Ha Joon Chang. try 'Thing 4 - The washing machine has changed the world more than the Internet!!!
4. 'Who runs Britain' & 'How do we fix this mess' – Robert Peston, explain how Britain is in such a State!
5. 'Freakonomics' or 'Think Like a Freak': A rogue economist explores the hidden side of everything – Steve Levitt, watch the TV documentary for an even better insight!!!
6. 'Nudge: Improving decisions about Health, Wealth and Happiness' – Cass Sunstein, behavioural Economics in action!
7. The Economist . . . Follow it daily on the www. Their blogs are amazing especially the stuff on Game theory . . . The 2012 Nobel prize for Economics was awarded for development in this area.

### **MUST WATCH**

- Money – BBC. . . shows you how to achieve without ever working!
- The News . . . Daily
- Question Time . . .to understand political economics

### **MUST FOLLOW:**

- @peston – Economics Editor for the BBC
- @TimHarford – Author and Economic commentator
- @FalseEcon – Concerned about the effect of the UK government and their mismanagement of our economy?
- @HMTreasury or @Number10Gov - Official Bank of England and UK Govt. Twitter
- @freakonomics – The fun side of economics

**JUST FOR FUN** . . .Try searching the following terms and consider their importance in society:

1. BURGONOMICS (measuring the purchasing power of different nations according to the cost of a Big Mac!)
2. THE HAPPY PLANET INDEX (try to work out how happy we are as a nation according to the decision made for us!)

### Useful websites

[www.tutor2u.net](http://www.tutor2u.net) – **Tutor2u** is an essential Economics resource for all students. It contains an excellent Blog with relevant news stories, exam advice and analysis of topical events. It also has various quizzes, revision notes and Power Points for free.

[www.bbc.co.uk/economy](http://www.bbc.co.uk/economy) - Keep up to date with current events in the business and economic world through the **BBC website Business news section**. Very easy to read and many helpful articles to gain real examples of the theory learnt in class. Vital for success in A2.

[www.guardian.co.uk/business/uk-edition](http://www.guardian.co.uk/business/uk-edition) - The **Guardian newspaper Business section**. Slightly more in-depth look at business current events and still free to access on-line.

[www.independent.co.uk/news/business](http://www.independent.co.uk/news/business) - The **Independent newspaper Business section**. Another great source for business stories and again still free on-line.

[www.youtube.com/econplusedal](http://www.youtube.com/econplusedal) - This guy will have a revision video on EVERY topic!!!! He is an economics teacher, examiner, and delivers exam prep sessions for tutor2u . . .when Yr13 'bumped' into him last year, they were starstruck!!!!

### **How will the work produced here fit into subsequent work and the specification as a whole?**

The first unit of the AS course explores the ways in which resources are allocated . . . the greatest economists have devoted their whole lives to solving this problem!

Completing these assignments will introduce you to the language of the course and allow you to really get involved in the first few weeks of teaching.