



# Exploring Economics

## An Introduction to A Level Economics

Economics is the branch of knowledge concerned with the production, consumption, and transfer of wealth. It ultimately underpins everything we humans do and studies the way in which people, the markets and governments interact. It looks at the implementation of decisions which affect the stability of global economies.

**Macroeconomics** - analyses the economic output of entire countries, their position in the international marketplace and how they allocate their limited resources to maximise production and encourage growth for future generations.

**Microeconomics** - focuses on the actions of individuals and industries within the economy; the interaction between buyer and seller, how people and companies respond to price changes and how this impacts demand, in essence analysing the parts which make up the economy.

**As an economist you will be analytical, an avid researcher and critical thinker!**

It is essential that you familiarise yourself with economic terminology as you will be required to use this language during class debates, conversations and written examinations.

**Task 1 - Revise the key terms of the first term. This terminology, when relevant, must be used in your transition work in the correct context.**

Allocative Efficiency
Ceteris Paribus
Choice
Complements
Cross Elasticity of Demand
Demand
Demerit Goods
Direct Tax
Division of Labour
Economic Problem
Efficiency
Equilibrium
Excess Demand
Excess Supply
Externality
Factor of Production
Free Rider
Income Elasticity of Demand
Inferior Goods
Information Failure
Market
Market Failure
Merit Goods
Needs
Non-excludability
Non-rivalry
Normal Goods
Opportunity Cost
Positive Externality
Price Elasticity of Demand
Price Elasticity of Supply
Private Benefits
Private Costs
Producer Surplus
Public Goods
Scarcity
Social Costs
Substitute
Supply
Want

## Task 2 – Presentation (5 mins)

Read and further research the cause of the 2008 recession.

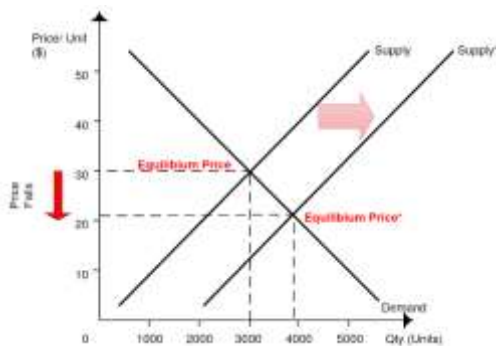
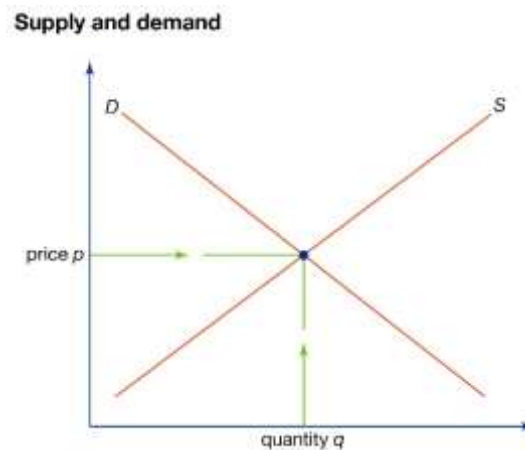
Choose **two areas below** and discuss the impact the 2008 recession had on the UK's;

- Unemployment
- Public Services (NHS, Education etc)
- Taxes
- Interest Rates
- Inflation
- Businesses
- UK Currency

Hint: Evidence (in all forms) is key! Be prepared for questions throughout the presentation.

## Task 3

Interpret the following diagrams using key terminology in your explanation.



**Task 4** – Answer **one** of the following questions:

- (A) “The government made the right decision to create the Furlough Scheme”
- (B) “The pandemic has crippled the UK educational system. This will have a negative impact on the economy for the next 10 years”

Do you agree with the statement? Justify your answer (20 Marks)

Remember your argument must be balanced! Further research will be required!

Evidence (in all forms) is key!

<b>P.E.E.L LANGUAGE</b>			
<b>POINT</b>	<b>EVIDENCE</b>	<b>EXPLANATION</b>	<b>LINK</b>
<b>It has been suggested that...</b>	<b>The evidence clearly shows...</b>	<b>The source clearly indicates...</b>	<b>With this in mind, it is evident that...</b>
<b>It is believed that...</b>	<b>This is supported by...</b>	<b>This shows us that...</b>	<b>Therefore, it is evident that...</b>
<b>Some people argue that...</b>	<b>This is demonstrated by...</b>	<b>It is clear from this that...</b>	<b>All this evidence demonstrates...</b>
<b>Many people believe that...</b>	<b>The source tells us that...</b>	<b>The evidence explains that...</b>	
<b>One argument is that...</b>		<b>This supports the argument by...</b>	
<b>One school of thought is that...</b>		<b>It appears that...</b>	
		<b>This demonstrates that... </b>	

Task 5 – Presentation 5 mins

Research and education visits

Visit the following establishments and research their value to the UK economy: Bring back evidence of your visit that you can share with the class. Pictures and information you can discuss.

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

<https://www.parliament.uk/visiting/>

<https://www.britishmuseum.org/visit>

**Deadline for all tasks: 6<sup>th</sup> September, 2021**