

AS Economics Preparation

Into the Sixth Form for September 2017

"**Economics** is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses." (Lionel Robbins)

"The purpose of studying economics is not to acquire a set of ready-made answers to economic questions, but to learn how to avoid being deceived by economists." (Joan Robinson)

Economics is a social science which attempts to explain how we organise the world's scarce resources to satisfy society's needs and wants. You must watch the news (including www.bbc.co.uk/news/business and BBC Newsnight BBC2) and read the business section of a quality newspaper (available in the Library) and / or City Am (website too).

Step 1: You should be interested in answering questions like the following examples:

Why do prices of products / services rise / fall?

What is the economic problem? What is opportunity cost? Give examples.

Why do we get paid more if we have 'A' levels or a degree?

Why are footballers and pop stars paid more than nurses?

Will the euro zone / EU survive? Should Brexit occur?

What causes a country to grow faster than another country?

Why is there unemployment? Why can inflation be a problem? What are potential solutions?

Why should we worry about UK's persistent trade deficit?

What does the Bank of England do to tackle inflation?

What is market failure and how can this be alleviated?

What is globalisation? How do countries compete?

How can developing countries grow faster?

What caused the 2008/9 global economic crisis? What is its impact?

Summer TASK: Try to answer at least 3 or 4 of the above questions and hand in written answers in September.

Look at the following websites:

<http://whystudyeconomics.ac.uk/>

<http://www.youtube.com/watch?v=MdlrpCqdcVo&feature=related>

<http://www.youtube.com/watch?v=iWgMGRHbytE&feature=related>

www.ft.com/

www.reuters.com

Step 2

Choose **at least one** of the following books to read. Take some effective notes, as these could later help your UCAS application in Y13 too.

Books (to read around the subject)

1. The Truth About Markets: Why Some Countries are Rich and Others Remain Poor – John Kay (recommended)
2. Everlasting Light Bulbs - John Kay
3. The Armchair Economist: Economics and Everyday Life
4. The Undercover Economist or The logic of life –Tim Harford
5. Money and football. A soccernomics guide (Szymanski).
6. The \$12 million Stuffed Shark – The curious economics of contemporary art and auction houses – Don Thompson
7. How do we fix this mess? The economic price of having it all, and the route to lasting prosperity – Robert Peston
8. Misbehaving: The making of behavioural economics – Richard Thaler
9. The great Divide – Joseph Stiglitz
10. House of Debt – Atif Mian and Amir Sufi
11. Capital in the 21st Century - Thomas Piketty
12. **Why Nations Fail: Origins of Power, Prosperity and Poverty** (Daron Acemoglu & James Robinson)
13. **Worldly Philosophers: Lives, Times, and Ideas of Great Economic Thinkers** (Robert Heilbroner)
14. The Economics Book (Niall Kishtainy)
15. The End of Alchemy - Mervyn King (former Governor of the Bank of England)
16. The Courage to Act – Ben Bernanke (former FOMC Chairman)
17. Stress test: Reflections on financial crises (former USA Treasury Secretary T Geithner)

Note: An AS Economics booklet is issued to all Year 12 students in September, filled with useful information about the course content, approaches to reading and writing at AS level and your own **Personalised learning Checklist (PLC)** for each Unit.

You are expected to take your academic work seriously. You **must attend** all your lessons, engage in topical issues discussions and participate in enrichment activities. Provided you study well and keep up with the work, you should enjoy your course immensely.

The **AS Level OCR Economics** course (examined in May 2018) is designed to allow you to:

- Think as an economist and develop the range of analytical, questioning and reasoning skills to achieve this objective.
- Develop grounding in microeconomics and macroeconomics, by drawing on local, national and global contexts.
- Develop an appreciation of economics concepts and theories in a range of concepts and develop a critical consideration of their value and limitation in explaining real world phenomena.
- Develop your skills as independent learner, critical thinker and decision-maker – all personal assets that can help you stand out in the workplace












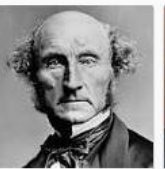


AS Level specification course overview

H060		
COURSE OVERVIEW		
Component 1	Microeconomics	
	Scarcity and choice	The basic economic problem
		Opportunity cost
		Specialisation of trade
	How competitive markets work	Allocation of resources
		The objectives of economic agents
		Supply and demand
		Elasticity
	Market failure and government intervention	Market failure
		Externalities
		Alternative methods of government intervention
		Government failure
Component 2	Macroeconomics	
	Economic policy objectives and indicators of macro-economic performance	Economic growth
		Unemployment
		Inflation
		Trends in macroeconomic indicators
	Aggregate demand and aggregate supply	Circular flow of income
		Aggregate demand
		Aggregate supply
		Macroeconomic equilibrium
	The application of policy instruments	Fiscal policy
		Monetary policy
		Supply-side policy
		Policy conflicts
	The global context	International trade
		Balance of payments
		Exchange rates

AS Level specification assessment overview

H060						
ASSESSMENT OVERVIEW						
Component			Marks	Duration	Weighting	AOs
Component 1	Microeconomics		60	1hr 30 mins	50%	Across the two components, AO1 and AO2 will comprise 30% each and AO3 and AO4 will comprise 20% each of the qualification
	Section A	Multiple Choice	15			
	Section B	Data response	25			
	Section C	One essay, from a choice of two	20			
Component 2	Macroeconomics		60	1hr 30 mins	50%	
	Section A	Multiple choice	15			
	Section B	Data response	25			
	Section C	One essay, from a choice of two	20			

Use of diagrams in Economics: Diagrams are a useful way of illustrating what is happening in a market or in the economy as a whole, and also of analysing the effect of any changes made.

Economists						
						
John Maynard Keynes 1883–1946	Adam Smith 1723–1790	Milton Friedman 1912–2006	Karl Marx 1818–1883	Friedrich Hayek 1899–1992	David Ricardo 1772–1823	Paul Samuelson 1915–2009
Economists						
						
Thomas Robert Malthus... 1766–1834	Amartya Sen	Alfred Marshall 1842–1924	Paul Krugman	John Stuart Mill 1806–1873	Alan Greenspan	Daniel Kahneman

Research at least two of the above economists. Why are they important?

We look forward to seeing you again in early September!