



**Shenley Brook End Sixth Form  
Summer transition tasks for  
A level Economics  
Edexcel Specification A**

**Due date Monday 11 September 2023**

## **Economics Transition Task – Edexcel Specification A**

**Deadline: Monday 11<sup>th</sup> September 2023**

**Objectives** – by completing this task you will have undertaken some preparation for the first two “Themes” you will be studying. This will enable you to start the course with some prior knowledge and therefore, be able to better understand these first two units of work. The skills you will be developing are those of being able to research and understand topics you may not have looked at before. Essential to be successful in Economics. You also need to know what is happening in the outside world.

You will then complete an assessment the week commencing 28 September. This assessment assumes all of the work below is completed. This is the first chance you will have to WOW the Economics team. This task has been designed to make sure that you have a great start to the course, and this is the first piece of substantial work that you will produce. If this work does not show enough effort, we would wonder if this A level is right for you? The assessment will be a mix of knowledge and short answer questions (maximum 4 marks per question).

### **SECTION A - Theme 1 (2 hours)**

1. Watch the video clip The World According to Marx from the BBC Two Masters of Money series, by Stephanie Flanders ([www.bbc.co.uk/programmes/p00z0yb2](http://www.bbc.co.uk/programmes/p00z0yb2)). Watch the video and write a summary of the key points. (½ page)
2. Identify the reasons why communism in practice had major weaknesses as an economic system. (½ page)
3. Research Adam Smith and ‘the invisible hand’. Explain how a fall in demand for CD music systems would lead to fewer resources being allocated to the production of this good in a market economy. (½ page)

**Economic theory being tested from the specification-** Theme 1 - 1.1.6 Free market economies, mixed economy and command economy.

### **SECTION B - Theme 2 (2 hours)**

1. Create a Timeline from 2004-2010 showing the causes and the impact of The Global Financial Crisis. (1 page)
2. Make a list of countries that were least and most impacted. Why were these countries impacted so heavily? (4 countries least impacted and 4 most impacted)
3. Explain one way the Government reduced the impact of The Global Financial Crisis on the UK Economy. (½ page)

**Economic theory being tested from the specification-** Theme 4 - 4.4 The financial sector.

## **SECTION C - Current knowledge of the world (at least 3 hours)**

As an economist you MUST keep up to date with what is happening in the world. It is absolutely vital as the essays in all three papers ASSUME that you know what is happening. Therefore, one of the transition tasks gets you to do this.

You would then carry this research on throughout the two years of the course.

### **Inflation and the cost-of-living crisis.**

If you do not know what this is – you have already not taken enough interest in economics. Put this title into any search engine and it would bring up a great deal of information.

This current crisis (coming after Covid and the war in Ukraine) has created another SHOCK to the UK economic system and is now a major economic crisis for all world Governments. We need you to look at this and evaluate the impact of the UK Govt's response.

### **Structure your answer for this, this way:**

- 1) What is inflation (measured by the CPI in the UK) and HOW is it calculated?
- 2) What are the two main causes of inflation (cost push and demand pull)? Explain each and get an example of each E.g., Cost push would be the prices of gas and oil increasing.
- 3) Explain why inflation increasing is mostly bad for businesses and the economy in general?
- 4) An economist has to be able to look at the counter point of an economic argument. Therefore, can you explain one possible positive of rising inflation?
- 5) What has the Govt done to mitigate the impact of rising inflation?
- 6) What are the advantages and disadvantages of what they have done so far E.g., the Govt put up interest rates, this may restrict borrowing to reduce inflationary pressure BUT it makes borrowing money more expensive and so this may cause less growth in the economy. If this sounds tricky – this is where you search around. See later for suggested resources you can use.
- 7) Overall, have the Govt. Policies been successful or not? For this one – an economist needs to be able to measure success? You could measure the success of Govt to reduce inflation by looking at the levels of unemployment, the effect on economic growth (GDP) or the level of current debt (nearly 100% of current annual GDP).

To help you will need to research various websites and resources. Whatever website or resource you use, you must consider:

- What is the resource?

- How up to date is it?
- Who wrote it – are they biased to one point of view?
- Is the resource trustworthy?
- What economic reasoning is there behind the resource?

E.g., if you use BBC or the Guardian, they will be reasonably good resources (although they have been accused of being biased in their views) or if it was the personal blog of someone – do they have an extreme view? Your job is to be balanced in your opinion and look at a range of evidence.

**Economic theory being tested from the specification** – Theme 2 - 2.1.2 Inflation

### **SECTION D - Final task**

For each week of the summer holidays – collect an article on at least one economics issue each week. Write a summary of what the issue is. It could be anything to do with economics – it may link with the task on inflation and the cost-of-living crisis.

**Economic theory being tested from the specification** – Themes 1 to 4 – as students of Economics you must be able to use what is in the news in your essays.

### **What you need to submit**

- 1) A summary of key points, reasons why communism has weaknesses, Adam Smith research – Word document or hand-written.
- 2) Timeline, list of countries and the Government plan for the Financial Crisis – Word document or hand-written
- 3) Current knowledge - Word document or hand-written. This is the biggest section of the task. Make sure you list your sources.
- 4) A document which gives a summary of each of the economic issues that have been in the news in the summer holidays. You would have about 7 summaries. This means you have to have been following the news.

### **Websites to help:**

<https://qualifications.pearson.com/en/qualifications/edexcel-a-levels/economics-a-2015.coursematerials.html#filterQuery=Pearson-UK:Category%2FTeaching-and-learning-materials>

<https://www.theguardian.com/business/>

[Global financial crisis: five key stages 2007-2011 | Global economy | The Guardian](#)

<http://news.bbc.co.uk/1/hi/business/7521250.stm>

<https://www.youtube.com/watch?v=LqUp1XAqfwg> – this is very good for a general overview of each paper and this Economist does very good You Tube videos on ALL topics – a great starting point.

Econosaurus – a good website for notes about the Edexcel syllabus.

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

Tutor2U are a great site to use as it is written by Economics teachers -

<https://www.tutor2u.net/economics> You can put search words into this site for free resources and help-videos.

### **Wider reading**

Undercover Economist – by Tim Hartford - [The Undercover Economist: Amazon.co.uk: Harford, Tim: 9780349119854: Books](#)

Fifty Things that Made the Modern Economy – by Tim Hartford - [Fifty Things that Made the Modern Economy: Amazon.co.uk: Harford, Tim: 9780349142630: Books](#)

The Economist Magazine - [The Economist - World News, Politics, Economics, Business & Finance](#) or more simply the Espresso App - [Daily briefing | The Economist](#)

Any “broadsheet” newspaper

Freakonomics – Steven D Levitt - a bit different but an interesting reads AND they do a podcast – called Freakonomics Radio. [Freakonomics: A Rogue Economist Explores the Hidden Side of Everything: Amazon.co.uk: Levitt, Steven D., Dubner, Stephen J.: 9780141019017: Books](#)

The Big Short Film – great for the financial crisis.