

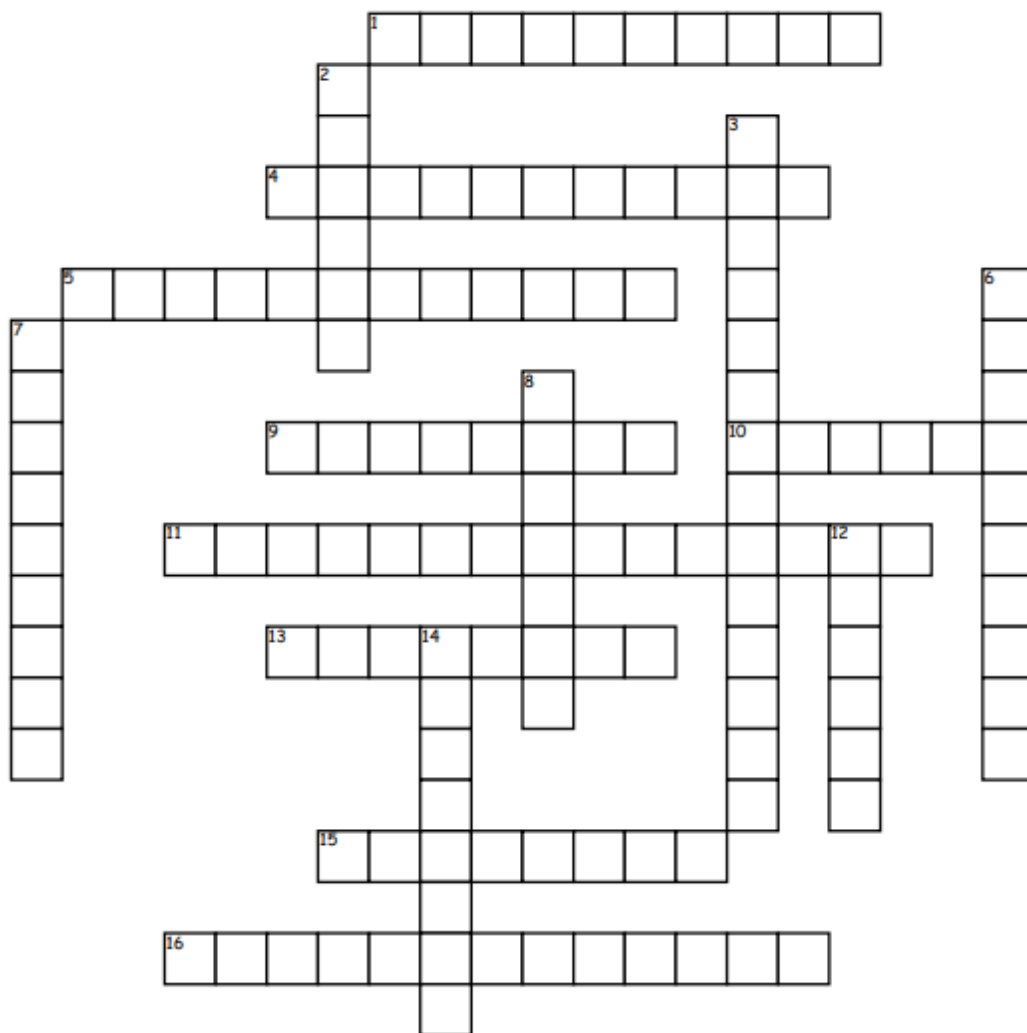


A Level Economics Transition Booklet 2026-27

Full Name: _____

Key Areas of Focus

Introduction to A Level Economics	During your two years at OPHS, you will be studying the following topics within A Level business AS Economics (AQA 7135) 3.1 The operation of markets and market failure • 3.1.1 Economic methodology and the economic problem • 3.1.2 Price determination in a competitive market • 3.1.3 Production, costs and revenue • 3.1.4 Competitive and concentrated markets • 3.1.5 The market mechanism, market failure and government intervention in markets 3.2 The national economy in a global context • 3.2.1 The measurement of macroeconomic performance • 3.2.2 How the macroeconomy works: the circular flow of income, AD/AS analysis, and related concepts • 3.2.3 Economic performance • 3.2.4 Macroeconomic policy A Level Economics (AQA 7136) 4.1 Individuals, firms, markets and market failure • 4.1.1 Economic methodology and the economic problem • 4.1.2 Individual economic decision making • 4.1.3 Price determination in a competitive market • 4.1.4 Production, costs and revenue • 4.1.5 Perfect competition, imperfectly competitive markets and monopoly • 4.1.6 The labour market • 4.1.7 The distribution of income and wealth: poverty and inequality • 4.1.8 The market mechanism, market failure and government intervention in markets 4.2 The national and international economy • 4.2.1 The measurement of macroeconomic performance • 4.2.2 How the macroeconomy works: the circular flow of income, AD/AS analysis, and related concepts • 4.2.3 Economic performance • 4.2.4 Financial markets and monetary policy • 4.2.5 Fiscal policy and supply-side policies • 4.2.6 The international economy
GCSE Link	• English - comprehension and reading • Maths: interpreting data/graphs/charts/tables • Maths: drawing graphs and labelling diagrams • Applying maths formulae • Geographical links to the economy and globalisation • Geographical and PSHE links to ethics and the environment • Historical links to the recent geological events
Skills	• Analytical skills to interpret charts and graphs and draw them • Understanding of the real economy both nationally and globally • Ability to calculate and formulate answers based on evidence within a specific context • Reading and comprehension skills to analyse and evaluate outcomes in specific scenarios
Wider Reading	• Watch and read articles in current news concerning the economy both national and global; • Financial Times/Guardian newspapers • The Great Economists Linda Yueh • Nudge Richard H Thaler • The Undercover Economist Tim Harford



Across

- 1. The process of developing newer or better products
- 4. Producers battling over who can make the most profit
- 5. The act of sharing something with other consumers or producers
- 9. Someone who makes goods or offers services to others
- 10. The number of consumers who want it
- 11. When you make a choice that can benefit you or not

13. Someone who has the goods and services and uses them for their personal use

15. The act of giving one thing and receiving another

16. Producers are free to decide what to produce, and consumers are free to buy whatever they need or want

Down

- 2. The financial gain received by selling something for more than it cost to make it
- 3. When the government decides what will be produced, how much will be produced, and how much goods and services will cost

6. The action of making or manufacturing a product from start to finish with raw materials

7. A stock or supplies of materials that a person or organization use to work effectively

8. Is the way goods and services are produced and consumed

12. The amount of something that is available

14. The limited amount of resources that is available



ECONOMICS QUIZ



How much do you know about the economy?
Read and choose the correct options to find out!

- 1** The minimum wage in the UK has increased, resulting in job losses. This is an example of:
 - a) structural unemployment
 - b) cyclical unemployment
 - c) classical unemployment
- 2** As the economy moves from recession to recovery, there is unlikely to be higher:
 - a) Business activity
 - b) GDP growth
 - c) Unemployment
 - d) Inflation
- 3** The rate of inflation has fallen from 5% in June to 4% in July. This is an example of:
 - a) Deflation
 - b) Disinflation
 - c) Hyperinflation
- 4** RPI differs from CPI in that:
 - a) Data collected weekly not monthly
 - b) Looks at twice as many goods
 - c) Basket of goods never changes
- 5** A consequence of deflation is:
 - a) Fall in value of money
 - b) Increased investment
 - c) Rise in consumption
 - d) Rise in value of debt
- 6** Recession is defined as:
 - a) 1/4 of negative output growth
 - b) 2/4 of slowing output growth
 - c) 2/4 growth below trend line
 - d) 2/4 negative economic growth
- 7** The formula for calculating multiplier is:
 - a) $1/1+MPC$
 - b) $1/1-MPC$
 - c) $1/1 \times MPC$
- 8** In which month does the financial year begin?
 - a) January
 - b) September
 - c) April
- 9** GDP is a measure of total goods and services in an economy.
True or False?
 - a) True
 - b) False
- 10** A fiscal deficit occurs when:
 - a) Spending > Taxation
 - b) Taxation < Spending
 - c) Spending = Taxation



Government needs to spend additional £20bn on infrastructure each year, says think tank

The Government should spend an additional £20bn on infrastructure investment each year and establish a German-style publicly-owned National Investment Bank, according to a prominent progressive think tank.

The Institute for Public Policy Research (IPPR) will make the recommendation later this week.

Increasing investment spending by £20bn by 2021-22 would lift UK government investment as a share of GDP to around 3 per cent of GDP, which would be the highest for the UK since the financial crisis but still only roughly level to the OECD average.



The Bank of England raised interest rates earlier this month to 0.5 per cent on the basis of its view that there is virtually no longer any non-inflationary slack left in the British economy and that, without a higher cost of borrowing, price rises risks getting out of hand.

But the co-author of the IPPR report, Michael Jacobs, disagrees with the Bank and argues that there remains spare capacity in the UK, which ramped up investment spending from the state can help fill.

"The brute fact underlying our low productivity and investment rate is that the economy suffers from deficient demand. With businesses not investing enough, only the Government can take up the slack," he argues.

Mr Jacobs also argues that with UK government borrowing rates on the market still negative in inflation-adjusted terms ministers have a golden opportunity to invest cheaply.

"At current negative real interest rates, next week's Budget is the moment to increase public investment. It will pay for itself in higher growth and tax receipts," he says.

Source: The Independent - 14th November 2017

1. How does government spending on infrastructure encourage the economy to grow?
2. Why does the author of the report think now is a good time for the government to increase spending on infrastructure?
3. Why do you think businesses are not investing enough in the UK at the moment (investment from businesses would be in new stores, offices, factories, machinery, etc.)?
4. Why has the Bank of England increased interest rates recently?
5. Do you agree or disagree with the authors of the report that the government ought to invest more in infrastructure? Justify your answer.



DEFINE THE KEY TERMS!

Opportunity Cost	
Scarcity	
Real GDP	
Inflation	
Demand	
Economic Development	
Balance of Payments	
Unemployment	
Positive Statement	
Normative Statement	
Economic Development	



CREATE A BLOG

A-Level Economics



NEWS HEADLINE:

Trump announces new trade tariffs on major global partners in 2025

The U.S. President unveils sweeping tariffs on imports from key countries including China, the EU, Mexico and Canada, sparking retaliation fears and uncertainty in global markets.

TASK PROCESS:

1. Read the News Headline.
2. Using your own knowledge and research write a blog explaining the economic impacts of the new Trump trade tariffs on the international economy.
3. Think about the impacts on the following:
 - Imports and exports
 - Supply & Demand
 - Prices of goods and services
 - Impacts on economic agents e.g. governments, consumers and producers

Extension Task: Try to include economic diagrams to support your research



CAREERS IN ECONOMICS



For each career, research the tasks and responsibilities that are involved in that specific job. What skills may you need for each job?



FINANCIAL RISK ANALYST

- ☐
- ☐
- ☐
- ☐



DATA ANALYST

- ☐
- ☐
- ☐
- ☐



ECONOMIST

- ☐
- ☐
- ☐
- ☐



INVESTMENT BANKER

- ☐
- ☐
- ☐
- ☐



OAKS PARK SIXTH FORM

Learning Together, Achieving Together



Notes