

ECONOMICS

Year 11 Introduction to Microeconomics Transition Work

Click on the links below and complete each of the tasks outlined on the worksheets and be ready to hand in during your first lesson in September

These activities are designed to introduce you to some of the key concepts in microeconomics and will prepare you for the type of subjects, diagrams and quantitative skills that we will be studying. In addition, you will start to get a feel for the importance of empirical evidence and knowledge of current issues required to support your theoretical work in Economics.

1. <https://drive.google.com/file/d/1stdNiYyF55fWiMftvqUOV2eRpNHDn4Xb/view>
2. <https://drive.google.com/file/d/1HARdVxV3o-aHA0Y72xuix2d3BU8abDKd/view>
3. https://drive.google.com/file/d/1bAH3_boW2XMiJMeJ3VNi4z1G5yjMqkK2/view
4. <https://drive.google.com/file/d/12iAF6uhYDxrw9PfpJNSZBxKlBJDyofXV/view>

Useful articles / videos to read to support your knowledge in this area

https://www.bbc.co.uk/news/business-52264546?fbclid=IwAR0AGjyiBHDi30_0bBDwA7y-VlkVqZFvDDm86Utnbdy1qvSeCT1XOGitjps

<https://www.youtube.com/watch?v=sPnQilZzZtw&list=PL31EOMw-r2HifGHUipoZwdnxQEEgTLn9>

We hope you enjoy these introductory activities into the fascinating world of Economics and look forward to welcoming you on to the course in September.

Transition Work: Macro Economics

Hi everybody!

Hope you are well. Keep smiling and laughing! Things will only improve!

Before you start the Economics course in September make sure you follow **EconomicsAidans** on Twitter! You will need to set up an account and follow the department on the above feed! We tweet lots of relevant news articles that you can read on a weekly basis.

Make sure you read daily economics articles on the link below!

<https://www.bbc.co.uk/news/business/economy>

You might want to read some fun economics books during the summer! Try reading

- a) **Freakanomics** – Book 1 and Book 2 (If you enjoyed the first one)
- b) **Capital** – John Lanchester (this is a funny read and makes good links to inequality)

We have set you a transition project on the:

'Impact of the Corona Virus on the UK economy'

All of the questions below will need completing. These will give you a basic understanding surrounding some of the topics you will cover in the Yr12 Macro Economics course.

Use all the resources available to you.

The internet will have a **HUGE** amount of information, for you to answer these questions below.

Make sure you answer all questions in detail! Have fun there is lots of interesting learning in here!

If you can't answer all sections do not worry! Have a go at all questions if you can.

This work will need to be shown in September in your first lesson back....

Good luck!

1. Outline briefly a quick introduction/facts about COVID 19
2. Impact on the UK economy: Below are headings on our key economic indicators
 - a) **Unemployment** – What is the current rate of unemployment in the UK economy? Can you explain briefly how it is measured? Research and explain the labour force survey and the claimant count measures of unemployment. What will happen to the rate of unemployment in the next three months? Make a new prediction! **Nearest answer gets a prize in September!** What type of jobs will be lost because of the Corona Virus? Provide lots of details here? Which jobs might be more protected or safe? Give examples? Are there any firms that might be looking to recruit new workers in light of the crisis? Refer to jobs in the private sector and the public sector in this section! What will happen to the number of self-employed people?
 - b) **Inflation** – What is the current rate of inflation in the UK economy? Can you explain briefly how inflation is measured/calculated in the UK economy?
Explain the difference between the Consumer Price Index and the Retail Price Index?
What will happen to the rate of inflation over the coming months? Give reasons for your answer! Will it go up or down?
What might happen to the prices for certain goods/services in our economy? Provide examples!
 - c) **Economic Growth** – What is the current rate of economic growth in the UK? Explain what is meant by GDP? How is it measured? What will happen to economic growth in the next few months? Will it go up or go down? Explain your answer!
Explain the difference between Nominal and Real GDP?
Research what is meant by the economic cycle! Can you explain what is meant by a boom, slowdown, recession and recovery! Do you think the UK economy is heading for a V or a U shaped recovery? Explain your answer if you can!
Which areas of the economy will be hardest hit? Which businesses will suffer over the next few months? Which businesses might prosper? Give reasons for your answer.
 - d) **Exchange Rate** – What is the current exchange rate for the UK in relation to the euro and the US dollar? Will the pound get stronger or

weaker? Give reasons why this might happen? Can you predict what rate the pound will be worth against the euro and dollar in September? Nearest one gets a prize!

Does a strong pound help UK exports? Explain your answer

Does a weak pound make UK imports more expensive? Explain

Policies to reduce the impact of the Corona Virus on the UK economy

1. Can you research how the UK government has tried to reduce the impact of the Corona Virus on the UK economy?
 - a) What has happened with the interest rate in the UK economy? What is the current base rate of interest? Can you explain why the Bank of England have lowered interest rates? How might this help consumers and businesses in our economy?

Produce a fact sheet on the Bank Of England!

(Brief History, Key functions of the Bank of England, How and why does it use interest rates to manage the economy?)
 - b) Can you find out what other measures the Government have undertaken to help the economy and businesses? Research **four policies** the Government have used to help workers and businesses. Can you provide a brief summary of these and write these up in a short paragraph for each policy? Can you research what other countries have done to help their economy and business? Choose **two countries** and explain **three measures** they have undertaken to help their economy and businesses.

There is lots of information on the internet here. I have included some links below. There are lots of resources/links on the internet!

<https://www.bbc.co.uk/news/business-51935467>

<https://www.theguardian.com/business/2020/mar/17/how-best-to-fight-the-economic-impact-of-the-coronavirus-pandemic>