

Economics Induction Work

Dear student,

First of all, thank you for choosing to join us on our fantastic course! We are delighted that so many of you have opted to study Business Studies next year and look forward to meeting you all in September.

We would have preferred to see you in person for a real induction this summer, however, who could have predicted the situation we find ourselves in. I am sure you agree that you did not expect this when you were considering your A Levels and then had a sudden end to your school journey. To say we are excited to get started and return to normality in September is an understatement, and we very much look forward to welcoming you to the Business Department!

To help you make a successful start to the year and course, we have some tasks and a project to get you going and to see your desire for the subject. We only want the keen passionate ones!

What do I need to do?

1. Please purchase the following items:

- A-Level Economics Complete Revision & Practice – CGP
- Edexcel A Level – **Economics A – Book 1** by Peter Smith

Please read the first chapter, first two preferably in order to get ahead and understand the first half term's work.

2. Coronavirus Research Task

In Economics, applying your point to literature and context is very important, whether that be the oil market, car industry or government policy. So in order to start practicing the skill of application to a context and scenario, you will need to research and collate your findings and thoughts about the pandemic.

You need to create a mini-presentation (PowerPoint) for class:

- Explain your understanding of what the government has done to help businesses during this time, focusing on their spending schemes (furlough etc)
- Choose a market/industry and analyse how it will/can adapt in order to survive or thrive?
- Present your thoughts on the future economic impact of the pandemic, focusing specifically on the main economic agents – businesses, households/consumer and government

Everyone will need to speak for 5-10 minutes so I would say 6-8 sides of A4 typed will be suitable.

3. Extension task

Complete the following exercise on the next 2 pages in order to help your understanding of the first weeks topics and key concepts.

Have a great summer, we are here if you want or need anything! Take care,

Yours faithfully, Mr Thomas (dthomas@idsall.shropshire.sch.uk) & Mr Mottram

Scarcity and Opportunity Cost

This activity worksheet aims to introduce you to some of the basic principles of microeconomics that you will first encounter in your Year 12 studies.

To begin with read this blog entry and find definitions for the following key terms:

<https://www.tutor2u.net/economics/blog/study-note-the-basic-economic-problem-scarcity-and-choice>

Key term	Definition
Scarcity	
Trade off	
Opportunity cost	

Activity 1:

Read the following story

Mike Milne is in year 11 at Warton Academy. In his spare time, he plays a lot of sports. His favourite is tennis which he has played since he was 7, although he has recently joined a local judo club to try and develop his skills in another area and to further enhance his fitness. Despite his initial keenness, Mike has not bought any kit for judo yet, the suit costs around £30. The tennis schedule is quite grueling. Training usually starts in late February and runs up until October of each year. There are two sessions each week. Judo takes place on a Friday evening in the hall at a local bowling centre, just near Mike's house. It does not have a season, with classes running each week and further slots available if he wants to join the squad that enters competitions. Usually one of Mike's parents is available to take him to tennis practice. When they aren't, he is able to get a lift with his friend Amy, but he must first get a bus to her house, which is a 10-minute ride away.

For the last two years, Mike has entered tennis tournaments and has recently seen success. At his latest competition, he won a prize, £50. His parents, due his good performance, gave him 1/2 of the value of his prize fund as a top up and told him to put it towards something that he has wanted.

A few weeks have passed since Mike's success and he has a number of dilemmas on his mind. He wants to buy a new video game and a new tennis racket. The tennis racket costs £50 but the game costs £75. Furthermore, the issue of time has been playing on his mind. He has final exams approaching and these are due to start in 6 weeks' time. Mike has carefully planned out a revision timetable but feels a little burnt out after 1 week on plan...

A. Explain how the problem of Scarcity applies to Mike

B. If Mike buys his video game, what must he give up?

C. If you were Mike, what decision would you make?

D. Explain how Mike is affected by opportunity cost