

A Level Economics at Greyfriars

Preparation for September 2024

Summer tasks:

Step 1: Understand why you want to study economics

As most students have never studied this subject prior to AS level, it is really important to answer this question. 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 are unlikely to be interested in this as an academic subject, unless you are already interested in current affairs. If you aren't already, you should be keeping up with the news (including <https://www.bbc.co.uk/news/business> and BBC Newsnight BBC2) and read the business section of a quality newspaper. Usually, economists are also interested in politics in order to understand how decisions are made, so a solid understanding of politics events in recent decades will help.

These are good places to start:

<http://whystudyeconomics.ac.uk>

<https://www.youtube.com/watch?v=cmzXGgzWH7g>

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

www.ft.com/

www.reuters.com

SUMMER TASK PART 1: Try to answer at 3 or 4 (or more!) of the below questions and hand in written answers in September.

Answers should be written as short essays, of 500-700 words each. Many of the questions will be about things that you may not know about, so you will have to do some research.

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

Why do prices 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?

Should we join the Euro? Will the euro zone / EU survive?

What causes a country to grow faster than another country?

Why is there unemployment? Why can inflation be a problem?

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?

Step 2: Read at least one of the following before September 2024, and write a short report/review (around 500-600 words):

The following texts will give you a really strong foundation in either economics as a whole, or in a specific part of the course. The earlier suggestions are easier reads and a little more general, while the later reads are a bit heavier and more academic. Choose AT LEAST one of the following books to read, and write a report/review summarising the main idea of the book and what you thought of its arguments/approach. Most of these books are very enjoyable reads, so don't be afraid to read a few. If you have any issues sourcing a book you want, speak to Mr Kavanagh, Mr Secker, or Mr McCutcheon.

Suggested texts for report:

1. *The Undercover Economist* by Tim Harford - Covers lots of core economics ideas, and an enjoyable read
2. *Freakonomics* by Steven Dubner and Steve Levitt - A classic of 'popular economics'. Probably the lightest and easiest to read, but shows how economic methods can be used in a range of settings to solve fun problems.
3. *Why Nations Fail* by Daron Acemoglu - Asks why some parts of the world are so wealthy and others so poor. Why is the US so much wealthier than Mexico? Why are North and South Korea so different?
4. *Animal Spirits: How human psychology drives the economy and why it matters for global capitalism* by George Akerloff - All about how the economy can be considered 'emotional'
5. *The Big Short* by Michael Lewis - All about how the 2008 financial crisis happened, and the group of people who saw it coming. Reads more like a novel than a textbook. There's also a movie.
6. *Globalization and its discontents* - Joseph Stiglitz - Questions whether the current system of financial capitalism really works for anyone at all. The original or revisited versions are both fine. A little dense in sections
7. *Doughnut Economics: 7 ways to think like 21st Century economist* by Kate Raworth - Massively successful book from last few years suggesting new model for capitalism
8. *Good Economics for Hard Times* by Banerjee and Duflo - Argues that much of what we assume to be true about economics is wrong, and that it makes the world unnecessarily difficult to live in
9. *The Deficit Myth* by Stephanie Kelton - Probably the most controversial book on the list, but a good presentation of some of the newer ideas in monetary and fiscal theory. There's a decent chance that everything it argues is wrong, but it's an interesting read.

If you have loads of time on your hands:

If you're really keen, have a look at some 'real economics' - this is much more dense, but worth having a look at, and great texts for UCAS applications.

- *The Wealth of Nations* by Adam Smith - The text that basically founded economics
- Anything by Keynes or Friedman - The two most known economists of the 20th century
- *Capital in the 21st Century* by Piketty - A very influential modern work, but an overly long read

Step 3: You are now ready to start studying Economics at Greyfriars Catholic School.

We look forward to seeing you again in early September!

