QUEEN'S GATE SCHOOL

ECONOMICS

A-LEVEL GUIDE

WHY STUDY ECONOMICS?

"Until studying a course like economics not a lot of people are aware of how the world works, including industries, businesses and governments. I was curious about the big issues facing society today. Studying economics satisfies my curiosity."

Economics is a social science which incorporates mathematics and statistics as well as having connections with many other disciplines like human geography, politics, business, and psychology. Its application into real life is visible and constant through many streams: politics, education, the environment, healthcare or simply your living costs.

Economics allows students to develop a new view of the world and an insight into the ways in which society operates, from the day-to-day decisions made by consumers and businesses to the macroeconomic issues at both national and international levels. Economic theory is taught and applied to real-world current affairs and issues.

WHAT QUESTIONS ARE ECONOMISTS ASKING?

- *Is national happiness going to be a better way to measure economies than GDP?*
- *What is the future of work in a world of artificial intelligence?*
- *How and why do economies benefit from reducing inequality?*
- *Is the sugar tax an effective way to tackle the social costs of obesity?*
- *How can we make housing more affordable?*
- *Should the government introduce tougher rules on gambling?*
- *Could a universal basic income help to reduce the risk of future economic shocks?*
- *Who benefits most from online retailing, consumers or businesses?*
- *What future for cinemas in a world dominated by Netflix and Amazon?*
- *Which policies are effective in curbing the plastic pollution crisis?*

A-level Economics requires logical thinking and social awareness which develops the ability to debate, both in class and on paper. There's often no right or wrong answer when it comes to economics, so you need to be able to present arguments clearly, supported by relevant examples.

You can't rely entirely on a textbook. Economics is the lifeblood of political debate, and you need to keep up to date, following news online and in print to pick up on economic, political, business and social issues.

HOW DOES IT WORK?

The A level in Economics provides a coherent combination of microeconomic and macroeconomic content. Learners will develop an understanding of economic concepts and theories through critical consideration of current economic issues, problems and institutions that affect everyday life, drawing on local, national and global contexts.

Microeconomics is the study of particular markets and segments of the economy. It looks at issues such as consumer behaviour, individual labour markets, and the theory of firms. Macroeconomics is the study of the whole economy. It looks at 'aggregate' variables, such as aggregate demand, national output and inflation. Taken together, they give a complete understanding of the economy as a whole (as well as global economic issues) that will be valuable in career terms as well as bringing an increased understanding of current affairs and how the world works.

WHAT DOES THE A LEVEL CONSIST OF?

A level Economics is a two-year course (Edexcel) covering both Microeconomics and Macroeconomics throughout.

The key areas of study for Microeconomics are:

- The nature of economics
- How markets work
- Market failure
- Government intervention
- Business objectives and growth
- Revenues, costs and profits
- Market structures
- Labour markets

The key areas of study for Macroeconomics are:

- Measures of economics performance
- Aggregate supply and demand
- National income and economic growth
- Macroeconomic objectives and policy
- International economics
- Poverty and inequality
- Emerging and developing economies
- The financial sector
- The role of the state in the macroeconomy

There is no coursework. All assessment is through three exams at the end of the course (with multiple choice, short answer, data response and essay questions):

- Paper 1: Markets and Business Behaviour (2 hours)
- Paper 2: The national and global economy (2 hours)
- Paper 3: Microeconomics and macroeconomics (2 hours)

WHOM DOES THE SUBJECT SUIT?

Anyone with an interest in knowing more about the way the world works. Students take Economics in combination with a very wide array of other subjects – everything ranging from Art and English at one end to Further Maths and Physics at the other. Economics complements Geography and Maths A levels very well.

A common misconception is that a strong mathematical background is important for the A level – this is not true. It can be a requirement at university level if students choose to pursue certain courses (such as BSc Economics). For the A level the mathematical content is nothing more than being confident with handling data, reading charts and graphs, calculating percentage changes and averages.

An ability to deal with abstract theory and then compare that theory with reality is an important skill whilst also having an interest in current affairs and following the news. Many students have taken up Economics as a third or fourth subject 'mystery choice' only to find that they enjoy it so much they decide to study it at university.

WHERE COULD IT LEAD?

Economics is an academic subject that is highly thought of both by universities and employers. Economics degrees have been found to be the second most lucrative degree five and ten years after graduating (after Medicine). Studying economics will help with all career paths – whether in the private sector, public sector or in the charity sector. Students go on to work in many areas including academia, journalism, banking, finance, and the civil service.

Most economics graduates don't work as economists. Instead, they use their skills in a diverse range of careers: analysis (financial, market, data), public policy, consulting, accountancy, research, charity/ development, market regulation.

Studying economics gives you a wide set of skills that you can take into a wide range of different careers:

- Analytical skills – you will be good at distilling and analysing complex problems
- Market insights – from designing and regulating tech industries to understanding consumers, you will have an excellent understanding of markets and incentives
- Working with data – you will likely be comfortable with handling data and using it to generate real-world insights.

USEFUL SOURCES

Tutor2U has a whole array of economics-based resources, and an excellent blog which will give a great feel for the subject.

The CORE Project is an open-access platform for anyone who wants to understand the economics of innovation, inequality, environmental sustainability and more.

Discover Economics is a new three-year campaign, launched in October 2019, in partnership with leading economics organisations. The campaign aims to broaden the appeal of economics to potential students, change their perceptions of economics and economists, and increase diversity among economics students.