



**Waseley
Sixth**

A Level Economics Bridging Course

Task 1

Ensure that you understand the meaning of the following business terms. They will be used extensively throughout the first year of the A-Level course. Research and **write your own** definitions for each:

Term	Definition
Economic Problem	
Wants Needs	
Factors of production	
Goods	
Services	
Scarcity	
Opportunity cost	
Economic welfare	

Gross Domestic Product (GDP)	
Economic Growth	
Supply	
Demand	
Aggregate Demand	
Aggregate Supply	
Private Costs	
Private Benefits	
Social Costs	
Social Benefits	

Externalities	
Balance of Payments	
Inflation	
Exchange rate	
Interest Rate	
Monetary Policy	
Fiscal Policy	
Supply Side Policies	

Task 2

Economic context is constantly changing and a key part of being able to understand economics in action and to be able to analyse the impact of government policies in current economic conditions. In order to do this successfully it is important that you have a strong awareness of the current news stories:

1. *Awareness of economic stories in Uk but also globally via media news sources*
2. *An ability to conduct independent research*

Part 1 (reading)



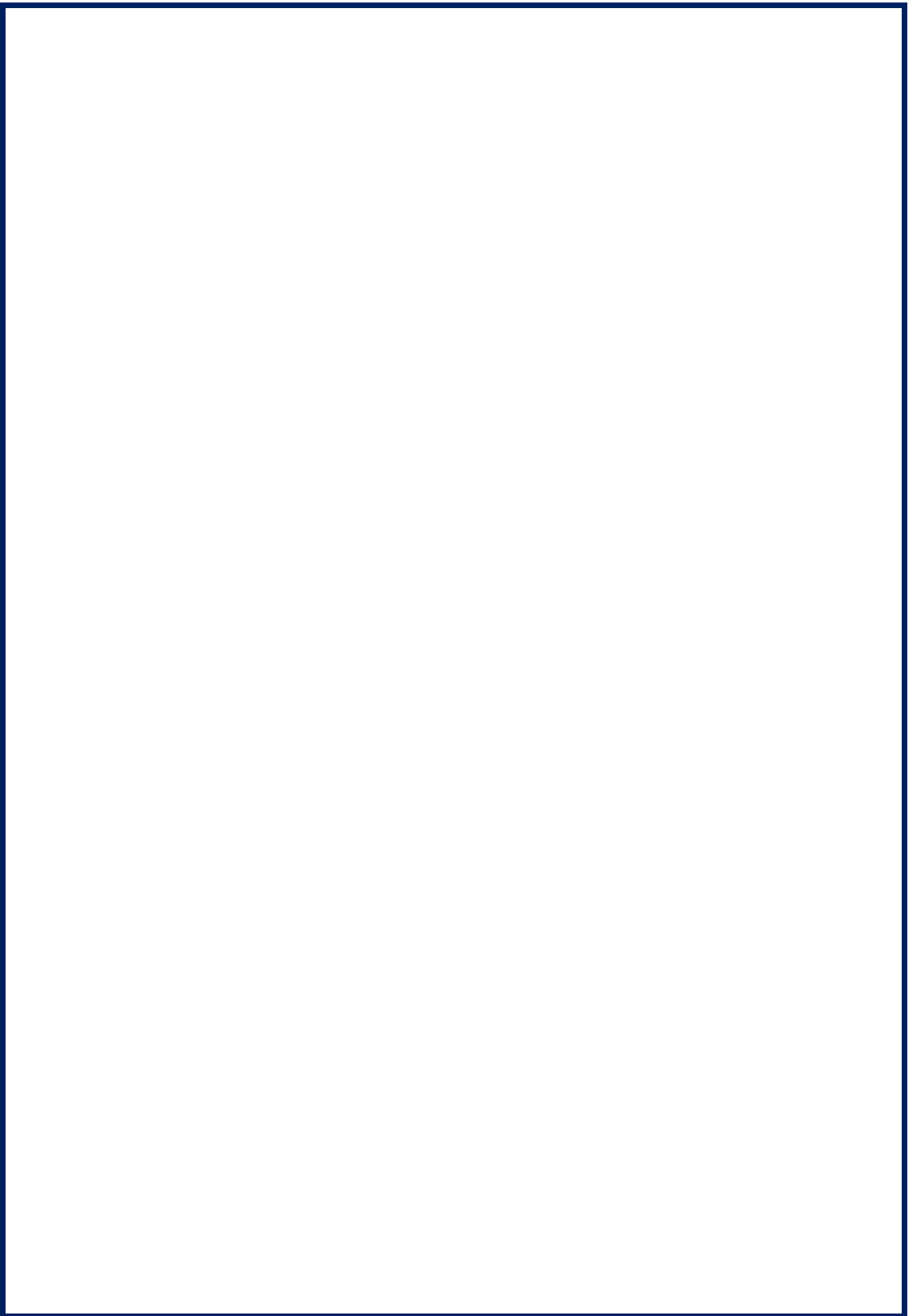
Download an app which will be a good source of business news. Alternatively, bookmark some of the following sites:

- The Guardian: <https://www.theguardian.com/uk/business>
- The Independent: <https://www.independent.co.uk>
- The FT: <https://www.ft.com>
- Reuters: <https://www.reuters.com/>
- <https://www.bbc.co.uk/news/business/economy>
- <https://news.sky.com/topic/uk-economy-5794>

Part 2

In the following table, record details of 5 current, economics news stories which interest you. At least two need to be based on economies other than the UK.

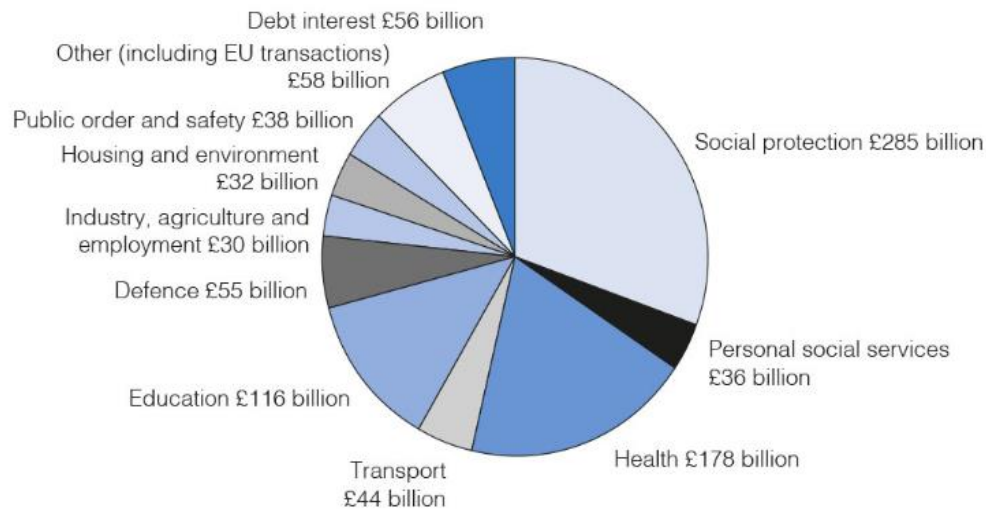
Date	Description of economic situation –	Source



Task 3 – Government Spending

The pie chart below identifies where the government spent money within the economy in 2020-2021:

Chart 1: Public sector spending 2020-21



Figures may not sum due to rounding.
Illustrative allocations to functions are based on HMT analysis including capital consumption figures from the Office for National Statistics.

Source: Office for Budget Responsibility and HM Treasury calculations.

1. What is the total level of government spending on the different areas? – calculate each area as a percentage of the total spending

2. Identify how much money the government spent in the following areas:

Area of spending	What services are included in this?
Social Protection	
Health	
Education	
Defence	
Debt Interest	
Housing and Environment	

3. Complete an evaluation of the government's spending.

You need to include the following:

Do you think the way the government spends taxpayers' money is fair?

Would you spend the money in a different way? - Outline how you would spend the money differently and your reasons and justifications – be clear about who would benefit from your changes and who would lose out.

You need to show clear working to demonstrate that you would not spend more than was raised in tax revenue.

What might be the positive and negative consequences of the changes you propose?