

Before you return to Economics in September, you need to complete the following tasks...



- 1) **Consolidation:** Revisit all of the Year 1 content and ensure you have filled in any gaps in your knowledge. This will mean you need to make sure your notes are up to date and detailed, you may want to go through exam papers and plan more essays, or tackle multiple choice etc.
- 2) **Organisation:** Buy a folder, some dividers (pack of ten) and the Year 2 AQA Economics textbook.
- 3) **Preparation:** Complete all definitions for each micro chapter, (yes, **all** of them...you have 6 weeks) you will need a year 2 textbook to do this.
- 4) **Preparation:** Print off Paper 1, 2 and 3 of the A Level Specimen papers on the AQA website (not AS). Produce a brief summary sheet describing the structure of each paper.
- 5) **Preparation:** When you return in September, we will be covering the main introductory topic of Behavioural Economics, focusing on consumer choice. Answer the following questions to help you prepare for this chapter:
 - a) What is meant by *rational decision making*?
 - b) Distinguish between *utility, total and marginal utility, utility maximisation, diminishing marginal utility*
 - c) What do we mean in economics by *imperfect and asymmetric information*?
 - d) What is meant by *bounded rationality* and why might this occur?
 - e) Explain using examples the term *anchoring*.
 - f) Explain what is meant by the term '*bias*' and distinguish between *confirmation, cognitive and availability bias*.

- g) Using examples, explain how the following types of behavioural economic policies might be used by governments to encourage more rational decision making: *framing, choice architecture, nudging, default, restricted, and mandated choice*

You may use your textbook to help you complete these. There are also some link to some resources to help you too:

Tutor2u- <https://www.tutor2u.net/economics/reference/rational-decision-making-and-consumer-welfare>

Econ Plus Dal- <https://www.youtube.com/watch?v=KlhvmKKctqs> and https://www.youtube.com/watch?v=4_h0kT4DrYE



- 6) **Preparation:** Write a detailed plan (1 side of A4 for each) for the following 25 mark essays. Remember to include definitions, briefly explain your point with chains of reasoning in shorthand, evaluate each point and include relevant diagrams where possible:
- a) Assess the view that housing markets should be left to market forces with only the minimum of intervention from governments. (June 16)
 - b) Assess the view that regulation is the best way of dealing with the market failure that results from the consumption of cigarettes. (June 16)
 - c) Discuss whether profit maximisation is always the most important objective for a firm.

Good luck!

I look forward to welcoming you back in September. Stay safe and well. 😊

Mrs Pindoria