

SJWMS Year 12 Induction 1.1

A'Level Economics

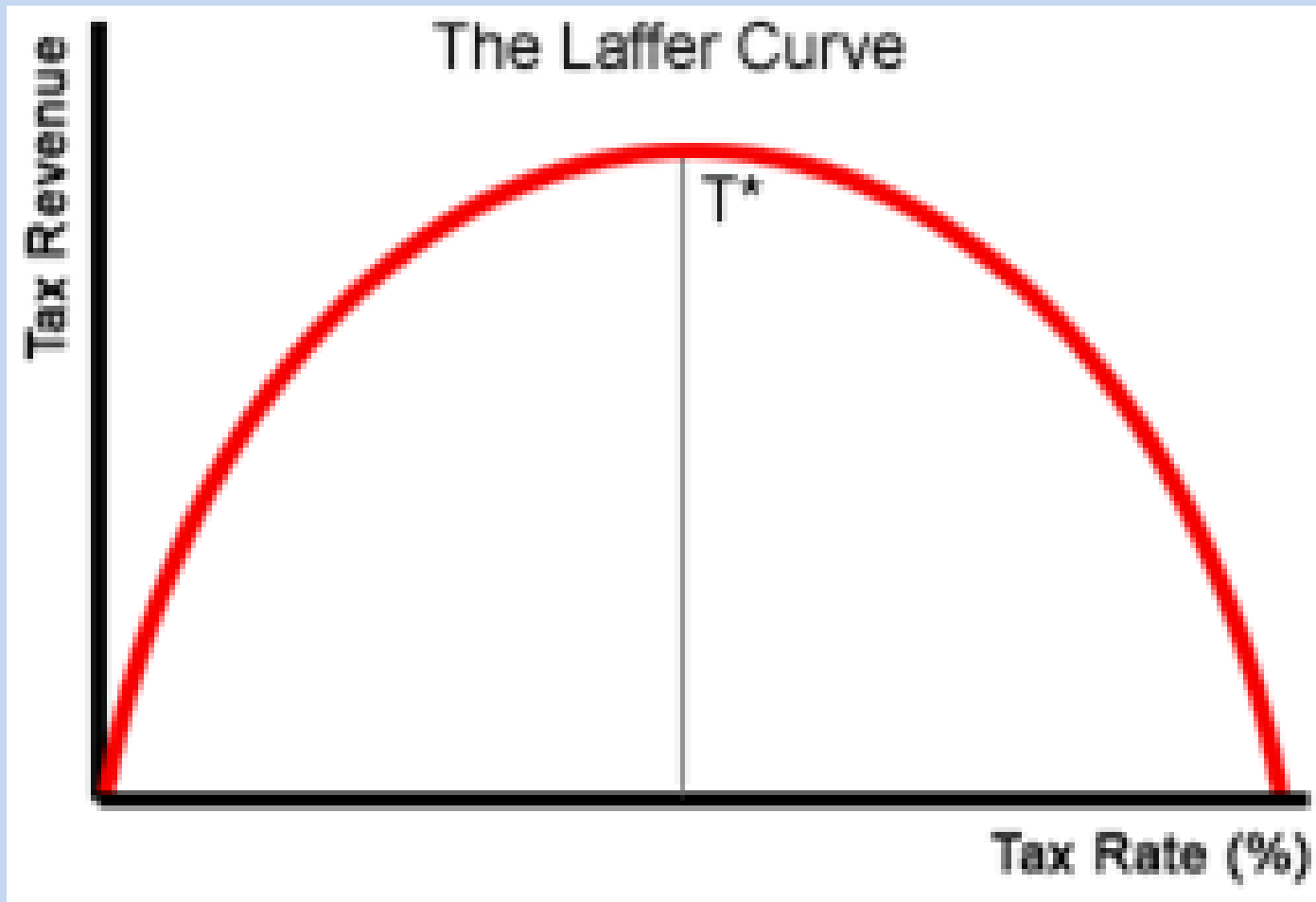
Starter: True or False?

- *The median average salary that an economics graduate can earn 5 years after graduating is £40,000₍₂₀₁₇₎. It is the second highest earner just below medicine and dentistry.*
- *Economics is basically the study of money.*
- *The UK government can directly influence economic growth by spending money on public services.*
- *Anyone of working age, that is not in a job, is classed as unemployed.*
- *The UK economy is currently in a period of recession.*

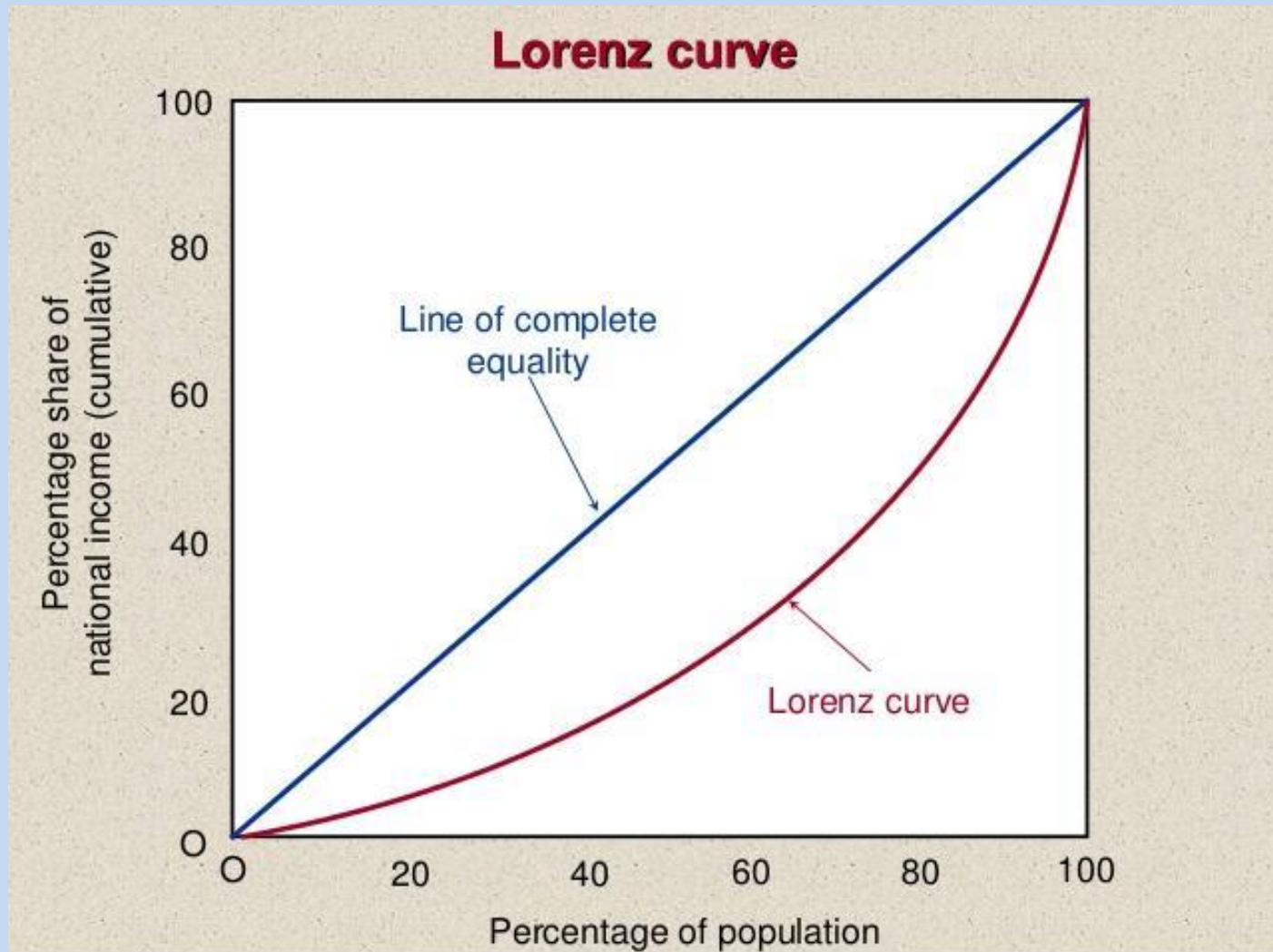
Diagrams:

- Open the attachment called “Macro Diagrams Induction.” Diagrams are also copied on the following 4 slides.
- For each diagram, explain what you think it is showing and why you think economists might believe this.

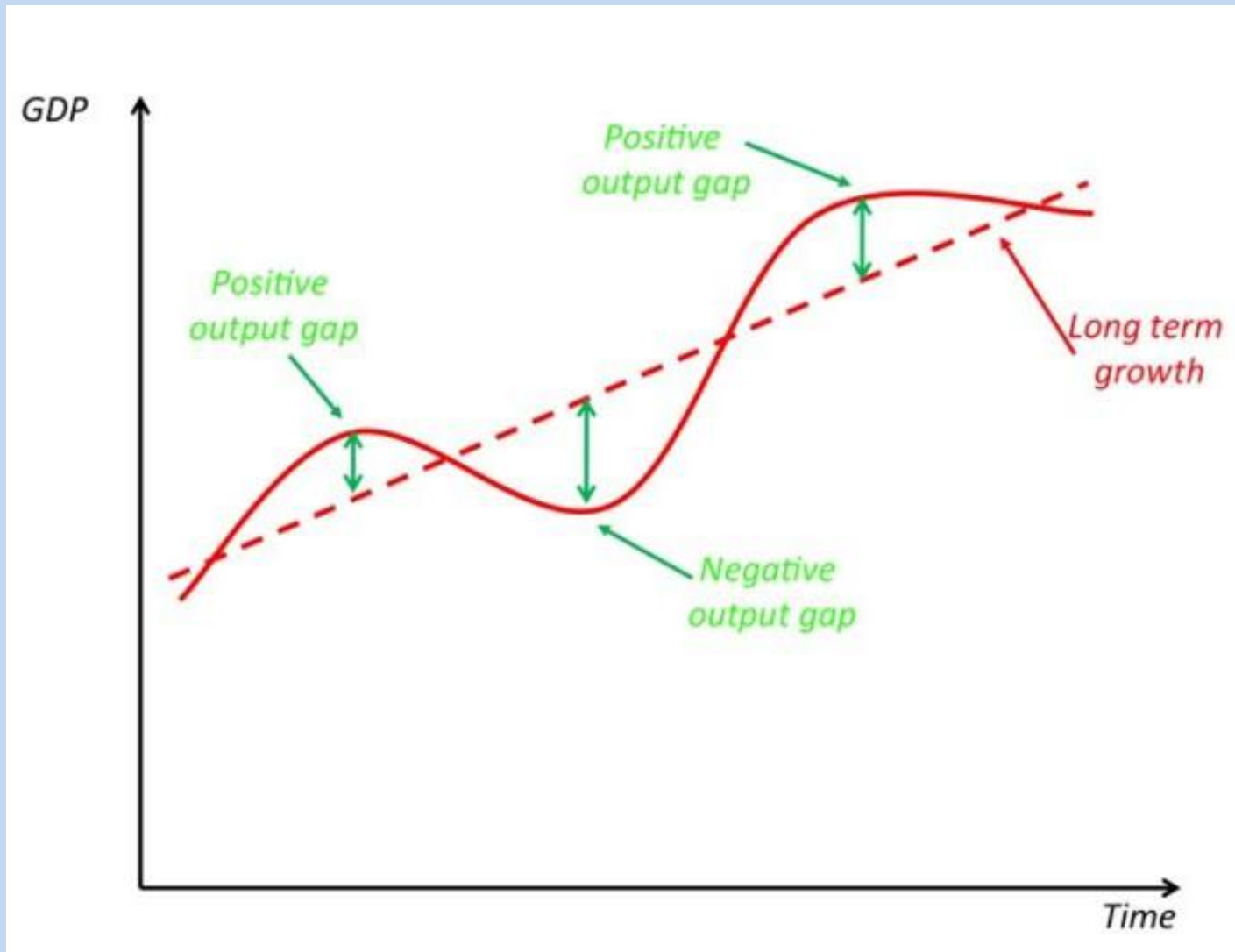
The Laffer Curve



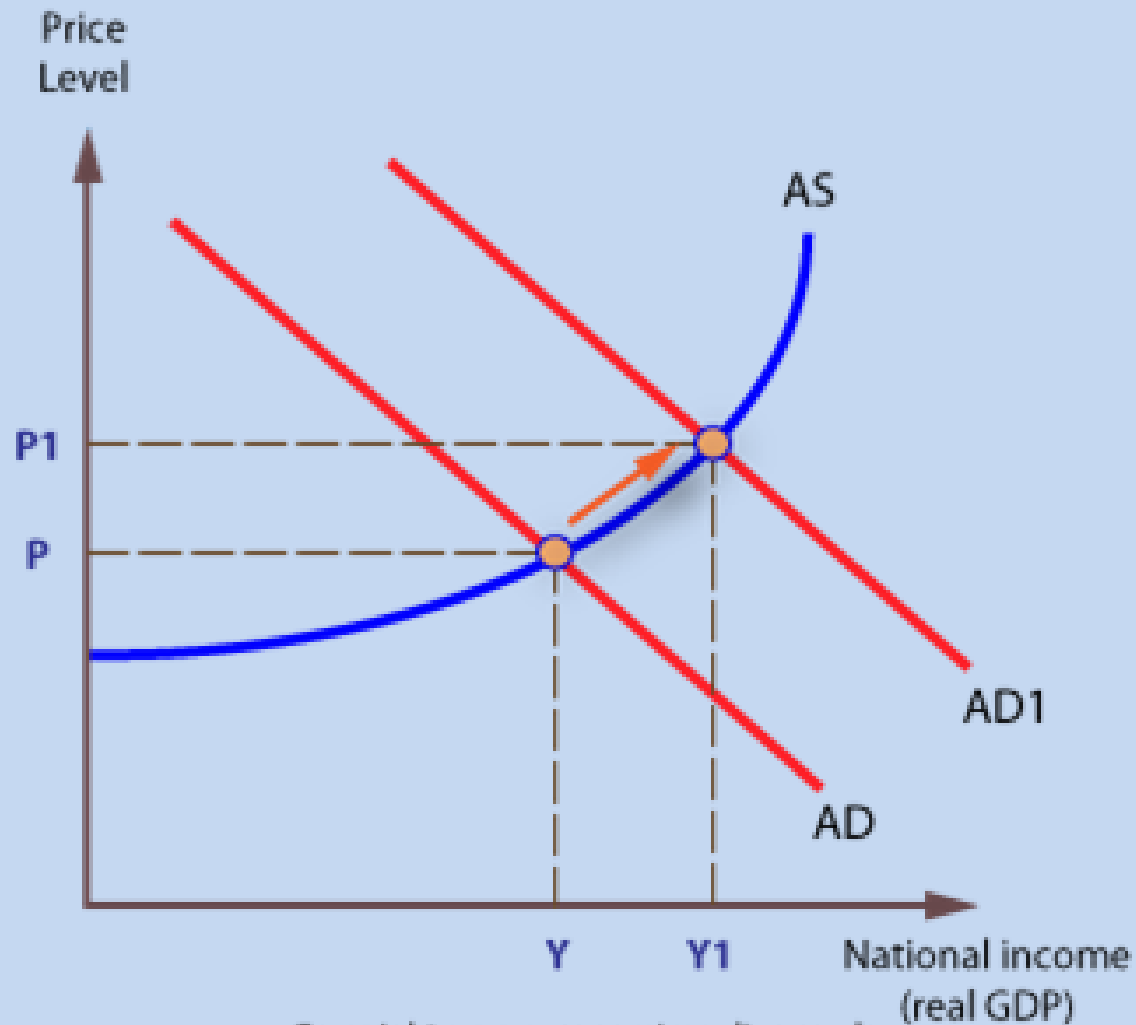
Lorenz Curve



Economic Cycle



Demand-Pull Inflation



Threat of no-deal Brexit...

Open the “Threat of no deal Brexit” Article. Read the Article and then answer the following questions.

- What is business investment and why has the risk of a “no-deal brexit” caused it to decrease?
- Why is falling investment likely to cripple the UK economy?
- Why is a slow-down in global growth also a concern for the future of the UK economy?
- Why is a slowdown in the UK likely to lead to a recession?
- What is a tariff and how might a “no-deal” Brexit affect trade and the UK economy?

Growth & Development: Kenya

Open the “Growth & Development in Kenya” Article. Read the Article and then answer the following questions.

- Explain 3 ways in which the new Kenyan Railway should lead to economic growth for Kenya. (Consider impact on labour mobility, FDI, productivity, Job Creation. Are you able to link this to the multiplier effect?)
- Analyse 2 reasons why some economists might be concerned about the project and its impact.