

AS Level Economics Bridging Work

An opportunity over the summer period to start thinking about some of the areas we will cover next year. Answer all the questions.

What is the UK inflation rate and why is it so high?

The objectives of most countries are to achieve economic growth, low stable inflation, low unemployment, a healthy trade balance and fair distribution of income. In recent years, the emphasis has been on achieving economic growth. This would then lead to the UK becoming a wealthier nation, enjoying an improved standard of living. If only life was so easy! Now the emphasis has switched to addressing the current issue of high inflation and how the increasing 'Cost of living' is impacting on us all.

So, time you found out about 'Covid-19' (2020), the Russian 'Invasion of Ukraine' (2022), 'Brexit' (2016), and how they affect us and the UK economy.

1. What's a 'recession' (and is the UK in a recession at the minute)?
2. What is 'inflation' (and what is the current inflation rate in the UK)?
3. If many products have increased in price and your income remains the same, how does this affect your quality of life?
4. What exactly does the Bank of England (the central bank for the whole of the UK) do?
5. How is the Bank of England trying to reduce the high level of inflation (and how does it work)?
6. What is GDP?
7. How did Covid-19 affect our GDP when schools, airports, restaurants and football pitches were shut and we were told to stay at home?
8. What happened to our GDP when we had completed our Covid-19 vaccination programmes and we were allowed to leave our homes and start spending again?
9. How much did Covid-19 effectively cost the UK?
10. In February 2022, Russia invaded a sovereign and independent country, Ukraine. How and why did this affect the costs of energy (including petrol), wheat and sunflower oil in the UK and other European countries?
11. What is the EU? (And who are members of the EU?)
12. When and why did the UK vote to leave the EU?
13. What sort of impact has 'Brexit' had on the UK economy?

Bring your completed work to your first lesson in September or email it to sbliss@rooksheath.harrow.sch.uk