



HOLYPORT
COLLEGE

ECONOMICS TRANSITION WORK 2025

Key Information

- This is a 2-year A Level course
- You will need confidence with numerical skills and preferably some familiarity with business or economic ideas. Most of the assessment will be through essay writing, so strong written English is essential.

Why This Transition Work Matters

Economics is a completely new subject for the majority of students starting Year 12. If you have not taken GCSE Economics, this transition work is vital for getting off to a strong start. It will introduce you to core concepts, ways of thinking, and language that will help you to participate fully in lessons from the very first week.

The A Level Economics course is content-heavy and moves quickly. On top of this, as a student at Holyport College you are expected to engage with wider learning opportunities such as the **Keynesian Society at Eton College**, where guests including CEOs, economists, MPs, and former finance ministers give talks. These opportunities are fantastic, but without a basic foundation in Economics, they can be difficult to access and appreciate.

Please treat this transition work as your first piece of A Level study. The effort you put in now will pay dividends throughout the course.

How to Prepare Over the Summer

1. Core Concepts – Research & Notes

Visit Tutor2U's Head Start in A-Level Economics and complete ONE page of notes (in any format you prefer) for each of the following topics:

- **Macroeconomics vs Microeconomics**
- **Unemployment**
- **Opportunity Cost and Scarcity**
- **Financial Markets**
- **Currency Economics**
- **Rational and Irrational Behaviour**
- **Behavioural Economics and Gambling**

Links to these resources can be found on [Tutor2U](https://www.tutor2u.com).

Essay Task – Choose One Question

Write a short report of **250–350 words** on one of the following microeconomics-based questions:

1. To what extent did the COVID pandemic create opportunities for small firms and entrepreneurs?
2. Is national happiness a more useful measure of individual welfare than consumer spending?
3. Should environmental concerns influence how firms price and produce their goods?
4. Do consumers or businesses benefit more from the rise of online retailing?

This should be typed and submitted to the Y12 Economics Classroom in September.

3. Stay Updated – Follow the News

Economics is rooted in the real world. You need to be aware of current events and how they relate to the subject.

- Read news from:
 - BBC News – [Economy Section](#)
 - Financial Times – [UK Economy](#)
 - The Economist – [Finance & Economics](#)
- Listen to relevant podcasts such as *Economics Explained*, *The Economist*, or *Planet Money*
- Add a news app to your phone and check it regularly & Subscribe to Economics Explained on Spotify.

4. Research Task – Government Spending, Taxation & Microeconomics

This research task focuses on the **microeconomic impacts** of government policy — particularly **how taxation and public spending influence individual choices, firm behaviour, and market outcomes**.

Part A: Understanding Taxes and Incentives

Complete the missing letters for key **tax types**:

- I N _ E _ _ T _ _ C _ TAX
- _ A _ _ E – A _ _ E _ TAX
- _ _ C _ _ _ TAX
- _ _ P _ T _ _ G A _ _ S TAX
- _ O _ P _ O _ _ T I O _ TAX
- S _ _ _ _ D _ _ _
- _ A _ I O _ _ L I _ S U _ A _ C _

Now research and answer the following:

1. **How do different taxes (e.g. income tax, VAT, corporation tax) affect the incentives for consumers and firms?**
(Think: labour supply, consumption patterns, business investment decisions)
2. **What is a regressive vs. progressive tax?**
 - Which taxes in the UK are considered regressive?
 - Why might this be considered unfair?
3. **What is the behavioural impact of 'sin taxes' (e.g. on tobacco, alcohol, sugary drinks)?**
 - What are the advantages and disadvantages of using these taxes?

4. **How does tax avoidance or evasion affect competition and fairness in markets?**
(Give examples such as multinationals shifting profits)
5. **How does VAT affect pricing decisions made by firms?**
 - o Why might a zero-VAT rating on essential items be economically significant?

Part B: Government Spending and Market Intervention

Explore the justification for **public expenditure**:

6. **Choose two examples of market failure** (e.g. pollution, under-provision of healthcare or education).
 - o How does government spending attempt to correct each?
7. **Why might government funding for public goods (e.g. street lighting, defence) be necessary?**
 - o Explain using the concept of the **free rider problem**.
8. **What is a subsidy?**
 - o Give one real-life example and explain how it affects supply, price, and consumer welfare.
9. **Research UK government spending on healthcare, education, and transport.**
 - o For each, explain how this spending benefits both individuals and the wider economy.
10. **How might cuts to public services affect income inequality and consumer welfare?**

Suggested Sources

- [HM Treasury – Public Spending](#)
- [Institute for Fiscal Studies \(IFS\)](#)
- [Tutor 2 U Market Failure](#)
- [Tutor2U: Government Intervention](#)

5. Recommended Books and Viewing

If you'd like to explore Economics further:

- *The Undercover Economist* – Tim Harford
- *Nudge* – Thaler & Sunstein
- *Freakonomics* – Levitt & Dubner
- Film: *The Big Short* (2015)

Equipment You'll Need in September

- A4 Lever Arch File
- A4 Dividers (10 pack)
- Lined A4 Paper or Refill Pad
- Optional: Highlighters, Cue Cards, Revision Resources, Econplus Dhal Packs.

If you have any queries about the A Level Economics course or this summer work, feel free to email us:

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We look forward to welcoming you in September. Enjoy your summer, and take this opportunity to get a head start on material ready for September.