

# Introductory Economics Transition Task - Smoking

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Some products and services that we consume are said to be 'demerit goods'. One example of a demerit good is cigarettes. Attitudes towards smoking have evolved over the past 50 years or so as scientific research has provided us with more information on the potential consequences of smoking.

Some believe more should be done to combat smoking whilst other may suggest that more regulation is not required.

You are expected to spend around two hours on the tasks below which need typing out.

## 1. Definitions

Find a definition of a demerit good and suggest two other examples (other than cigarettes)

## 2. Data Collection

Find data on at least 3 of the following (although you may replace them with other interesting facts that you find). You will need these for parts 2 and 3

1. Rates of smoking in the UK over time
2. Rates of smoking by different groups (e.g. gender or age)
3. Spending on cigarettes in the UK over time
4. Revenue gained by the government from cigarette duties over time
5. Cost to the NHS of dealing with smoking related illnesses over time or broken down by illness type

## 3. Data Analysis

Comment on two interesting factors in the data you have collected. You could look at issues such as trends in smoking rates, variability in data sets, calculate percentages etc. Make sure you refer to the data in what you write

e.g. "The first interesting fact is that the rate of smoking is increasing for both men and women. Smoking rates among men increase from 17.1% to 18.2% between 2001 and 2011 and women increase from 19.5% to 20.1% over the same time period" ©

## 4. Essay

**"Evaluate 3 policies that government could use to control and influence levels of smoking"**

Below is a writing frame to help you. This should be written as an essay, not as bullet points. Amongst your three options you can include things that the government currently does (in which case I'd expect to see an analysis of how effective it is). You may also dispute the premise of the question and argue that the government should actually do nothing at all and leave smokers alone. In this case you still need to explain how 'doing nothing' would work and the impact it would have along with considering two other methods that governments could use

**Introduction** – try to get a nice opening statement that addresses the issue. Try to include at least one fact to show why this is a current issue.

**Option 1** – pick one option that the government could use and explain how it would work, what impact it might have and why it might not work. Try to evaluate your argument by explaining how good you think these arguments are

**Option 2** – etc.

**Option 3** – etc.

**Conclusion** – make sure you actually make a recommendation and explain why you think that was the strongest argument

<https://www.tutor2u.net/economics/reference/de-merit-goods>

<https://www.tutor2u.net/economics/blog/unit-1-cigarettes-demerit-goods-and-government-failure>

<https://www.economicshelp.org/blog/154879/economics/policies-to-reduce-smoking/>

<https://www.economicshelp.org/blog/154879/economics/policies-to-reduce-smoking/>

<https://www.tutor2u.net/economics/reference/government-intervention-in-markets>