



Pearson
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Examiners' Report
Principal Examiner Feedback

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Pearson Edexcel International GCSE Economics
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Introduction

Overall, a good awareness of economics was shown by students taking this, the third paper of the new International GCSE specification. In general, students appeared to be well prepared for most of the topic areas required by paper 1. Where applicable on the levels-based questions, the ability of the most able students was shown through relating their knowledge and understanding to the evidence presented, whereas those struggling with such concepts typically answered questions with a more generic approach.

Question 1

1c)

Candidates showed good understanding with accurate definitions of external costs, referring to both 'a third party' and 'negative effects'. Partial definitions were given 1 mark.

Tip: 'What is meant by' questions have two marks and require two parts to the definition. No marks are awarded for examples.

1d)

This question was reasonably well answered by candidates, but a few tried to define external benefits instead of stating an example. It is important to answer the question asked to achieve the mark.

Tip: There is only one mark available for 'state' questions and examiners do not expect you to write a lot.

1e)

Another encouraging set of responses, showing good understanding of 'wants' by many candidates. A range of suitable answers were accepted including reference to desires and non-essential products.

Tip: Do not use examples for 'define' questions. We are only looking for a definition of the term.

1f)

An excellent set of responses to correctly calculate the excess demand. A total of '900' achieved both marks but giving the individual excess demand for each month correctly (600, 200, 100) was also rewarded with 2 marks.

Tip: It is recommended that you always show your working in a 'calculate' question.

1g)

Again, a very good understanding shown of this part of the specification, along with pleasing (well-practiced) diagrams.

Tip: You must label the new shift and the new equilibrium points to gain marks. Do not shift both curves as this will not show understanding of the scenario in the question.

1h)

The first 3-mark 'explain' question on the paper allowed candidates to present a good range of barriers to entry. Some of these were developed to secure a second mark but fewer placed the answer in the context.

Tip: There are NO marks for definitions on 'explain' questions. They require a reason/benefit etc, development and context.

1i)

Again, a range of responses which accurately focused on factors of production. However, sometimes these were with limited economic application or only three of the four factors were analysed. Candidates sometimes struggled to show clear development and/or thorough analysis which made access to level 3 unlikely.

Tip: Do not present a counter argument for analyse questions - there are no marks for doing this and it will mean you have less time to spend on other questions.

Question 2

2c)

The formula for price elasticity of supply was well understood by many candidates but a few failed to give the full formula by omitting 'quantity' or 'percentage'.

Tip: There is only 1 mark, so it is either right or wrong, so remember to include the FULL formula.

2d)

Candidates varied in ability whether they had the ability to select the correct variable costs and then total them.

Tip: Units are an important part of the answer so make sure you use the right ones, e.g. QR or \$ for currency (or none if appropriate, such as when calculating elasticity).

2e)

Many candidates were able to show understanding of the term takeover, but some were too vague in their response by repeating the word, 'takeover'.

Tip: Try not to be vague or ambiguous in your response.

2f)

There was a good understanding of price elasticity, but some candidates failed to respond to the 'over time' element of the question or gave a definition, for which there were no marks.

Tip: There is only 1 mark for knowledge on 'describe' questions so do not give more than 1 type/reason/benefit etc. The second mark is for development of the knowledge.

2g)

The fact that a fine would increase costs or reduce disposable income was understood by many candidates and this was explained to access more than just a knowledge mark. Some responses simply repeated the question/stem with reference to fines reducing the negative externalities and so received no marks because no reason was given.

Tip: There is 1 x AO2 mark for 'explain' questions, meaning that the answer needs to be put in context to receive full marks. The focus of the question (in this case 'fines') needs to be responded to to achieve marks.

2h)

Candidates were usually able to offer the basics of the response. A main discriminator was in describing the nature of goods/services provided by the public sector and explaining why public/merit goods are usually provided by the state. Some candidates did not either implicitly or explicitly explain the nature of the economic problem, which left the answers somewhat hanging in the air/undeveloped. Responses were not always balanced or assessed using the data provided. Developed analysis was again, typically, the main factor limiting progression through the levels.

Tip: Assess questions require a balanced two-sided argument which is applied. There is no requirement for a conclusion or judgement, but the argument(s) and counter argument(s) presented should be developed and thorough.

Question 3

3c)

Candidates were often able to show an accurately labelled PPF with production of diaries reducing to increase the production of calendars. However, some failed to fully label the diagram correctly or tried to show a supply and demand diagram instead.

Tip: Be very clear when drawing your lines. Ambiguity is likely to result in no marks.

3d)

A good understanding of the minimum wage was shown by candidates' responses with analysis of, for example, increased income, increased supply of labour, increased motivation, and increased productivity, as well as decreased inequality and/or decreased government spending on benefits. However, it was often a level of development or a lack of thorough analysis that sometimes led to lower attainment in the levels.

Tip: Only one-sided arguments are needed for analyse questions. Focus on developing applied points to present a strong analysis of the situation.

3e)

Again, many competent responses. However, some candidates were unable to present more than a basic understanding to attempt to make the points relevant to the context of question, e.g. 'bulk buying' examples could be as straightforward as buying lots of chairs or building materials. Amongst the low or 0 scores was a tendency to believe 'internal economies of scale' as advantages within a country of having an airport (tourism etc.) rather than knowledge of the economic term.

Tip: Although no conclusion is needed, it is important to provide balance between the arguments to score high marks on 'assess' questions.

Question 4

4a)

Many candidates were able to show understanding of the elastic PED and do the calculation for which the figures were given in the question. There were also a small number who failed to use units.

Tip: You must always use units where they are appropriate.

4b)

Several weak responses by candidates where the focus was on repeating aspects of the extract rather than the likely impact on the supply of labour.

Tip: There is no set number of points required on any levels-based question, but each point made needs to be developed to move up through the levels.

4c)

Generally, focus was limited on the question of 'productivity'. There were frequent diversions into the likelihood and costs of staff becoming redundant.

However, more successful responses, which did focus on productivity, generally concentrated on practical and sensible points. These included speed of service, lower costs, better or consistent service and possible attractiveness to customers. Disadvantages usually included comments about people finding difficulty in using the tablets etc., costs of buying the equipment, setting up, repair and lack of personal service. A balanced response was not uncommon, and level 2 often accessed. However, some assessment of e.g., cost of 'machines' v cost of labour was seldom conducted.

Tip: A supported conclusion/judgement is needed for evaluate questions.

Summary

Based on their performance in this exam, candidates are offered the following advice:

- Be careful to read the whole of the question. Certain requirements are given which were not acted upon by some candidates in this series, e.g. when answers are required 'to two decimal places'.
- Candidates need to understand the requirements of the command words in the questions. This will allow them to access marks requiring each of the four assessment objectives.
- Quantitative Skills will be tested throughout the paper. These may be in the form of diagrams/graphs, calculations or using the data in the Extracts to provide the application in the questions.
- Application marks will not be awarded for simply repeating evidence in the extracts. The evidence needs to be used in the response.
- Analyse questions do not require evaluation but the command words 'assess' and 'evaluate' do require a two-sided argument in order to achieve full marks. The evaluate question also requires a judgement/conclusion.
- There may be more answer space provided than you need to write your responses. This is also indicated on the front cover of the question paper.
- The use of relevant evidence is required throughout, and this can be from the Extracts provided and using examples provided by the candidates themselves. However, simply copying this material will not gain marks.

- As the descriptor tables for analyse, assess and evaluate questions do not change between questions with the same command word or exam series, it is advisable to practice writing responses using them.

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