Examiners' Report
Principal Examiner Feedback

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Pearson Edexcel International GCSE Economics (4EC1)
Paper 1R: Microeconomics and Business Economy

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Introduction

This was the third 'regional' paper of the new International GCSE specification. In general, students appeared to be prepared for some of the topic areas required by paper 1 but not all. 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. Unfortunately, those struggling with knowledge, resorted to simply copying parts of the extract, resulting in no marks.

Question 1

1c)

Candidates showed a good understanding with reference to both money received and sales of output.

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 well answered by students who had good knowledge of this part of the specification (economic growth).

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 external benefits by many candidates.

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

1f)

To achieve full marks, responses needed to correctly calculate the excess supply. A total of '1,725' achieved both marks but giving the individual excess supply for each month correctly (800, 550, 375) was also rewarded with 2 marks.

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

1g)

Students who had prepared for 'draw' style questions benefitted from their well-practiced diagrams and were able to score all 3 marks.

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 range of advantages for customers from a takeover. Some of these were developed to secure a second mark (usually through reference to improved quality or cheaper prices) but fewer placed the answer in context.

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

1i)

Candidates often struggled to achieve level 3 as the responses offered little development other than a basic discussion about an inwards shift in the supply curve.

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)

Some candidates showed an ability to select the correct fixed costs and therefore make an accurate calculation, but they did not always remember to use the correct units (in this case Rs or Rupees).

Tip: You should always use appropriate units in your final answer.

2d)

Candidates struggled to give a full and accurate definition of demand and often missed either 'willing' or 'able' to buy, although they often managed to achieve 1 mark by referring to 'at a given price' and/or 'at a given time'.

Tip: Remember to include the FULL definition on 'What is meant by' questions.

2e)

Many candidates were able to show understanding of a suitable policy (e.g. taxation) but few went on to develop this and so scored only 1out of 2 possible marks.

Tip: Describe questions require a point of development to achieve the second mark.

2f)

A poor understanding of 'irrigation' was evident amongst the responses leading to few full-mark responses.

Tip: Any aspect of the specification can be covered by the questions and so it is important to study each topic.

2g)

Candidates were able to show some understanding of business aims but these responses were often descriptive rather than offering an effective or balanced assessment.

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. Simply copying the extract or re writing parts of it is not going to lead to marks being awarded!

Question 3

3c)

Candidates were often able to draw a correct shift, showing an increase in the supply of labour. There were, however, a few responses which were unable to show understanding, either shifting both or the wrong curve.

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

3d)

A reasonable understanding of collusion was shown by candidates' responses but once again, it was often the level of development and a lack of thorough analysis that sometimes led to lower attainment in the levels.

Tip: One-sided arguments only for analyse questions. Focus on developing applied points to present a strong analysis of the situation.

3e)

Although a small number of candidates presented a reasonable two-sided argument about the extent to which high levels of public sector investment might benefit the Cambodian economy, few achieved level three and too many failed to show knowledge sufficient to achieve more than level 1 response.

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 calculate the correct opportunity cost to be 30 units of consumer goods.

Tip: It is a good idea to show your workings and you should always use units where appropriate.

4b)

More able candidates were able to why diseconomies of scale may be experienced by the firm. However, some failed to analyse and only described the term rather than develop points.

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)

Examiners were looking for responses which showed a balanced argument regarding the importance of income elasticity of demand. Although understanding was shown, responses needed to be presented that analysed and evaluated economic information and used the data provided. Some candidates presented only a descriptive answer which led to achieving only a low-level mark.

Tip: A supported conclusion/judgement is needed for evaluate questions. Please do not simply repeat the evidence in your response as this is not rewarded with marks.

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 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. The Extracts are there for a reason – so please use them!
- 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.