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Examiners' Report

Principal Examiner Feedback

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

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Introduction

A good awareness of economics was shown by students taking this, the first paper of the new International GCSE specification. In general, students appeared to be well prepared for the topic areas required by paper 1. Where applicable on the new 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. The levels of response questions required understanding to be developed and applied to the relevant evidence. Although some adapted this approach there were instances where a more basic understanding was demonstrated, thus limiting the attainment of higher levels.

Question 1

1c)
Candidates sometimes struggled to make the distinction between a normal good and a luxury good in their response of the meaning of the term and so this was likely to result in less than the two marks available for this question.

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.

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 this part of the specification by many candidates.

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

1f)
Very occasionally candidates showed a lack of understanding by putting % or $ even when the 0.75 had been calculated correctly.

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.

1h)

The first 3-mark 'explain' question on the paper allowed candidates to present a good range of disadvantages to customers of the sole local firm in the area. These disadvantages were often developed and in context, allowing access to all 3 marks.

Tip: Explain questions require a reason/way/advantage etc. which is in context and developed for all three marks.

1i)

Again, a range of responses which accurately focused on the firm remaining small were presented, often with good economic application. 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)

Candidates were often able to show the tertiary sector as the largest, followed by the secondary sector.

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

2d)

There was a varied response to this question with some very good understanding but also a clear lack of knowledge by some candidates.

Tip: A one mark define question does not require examples and there are no marks for these.

2e)

Some candidates failed to give a reason which related to an external cost, inaccurately focusing on the cost to the motorist. Those who did accurately describe a reason often related it to pollution and linked it appropriately to be awarded the development mark.

Tip: Only one reason/advantage/way/factor etc. is required for one mark. The second mark will always be for development of this and not for a list of reasons etc.

2f)

There was some confusion, with some candidates trying to answer along the lines of what was asked in the following 'assess' question (2g) instead of focusing on the private sector aspect, as required.

Tip: Avoid just repeating the question as there are no marks for doing this.

2g)
Candidates were able to offer a range of balanced arguments why funding of flu vaccinations san be justified alongside why they should not. 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. Simply copying the extract or re writing parts of it is not going to lead to high marks! High level arguments need to use the evidence to present arguments which are applied to the question.

Question 3

3c)
Total revenue was widely understood and calculated as $80 750 for candidates to receive both marks for this question. Sometimes the $ was missed limiting the marks.

Tip: Make sure you always use the correct units for calculate questions.

3d)
All that was required for 1 mark was 'inelastic' as the correct calculation for question 3c) was $80 750. As the total revenue prior to the price increase was $75 000, the new price resulted in a higher total revenue. This meant that price elasticity of demand for newspapers had to be inelastic. There was no calculation necessary for 3d). Candidates who did correctly calculate the actual PED were still awarded the mark, as were those who had made an error in part 3c) but correctly stated the PED based on their own answer (own figure rule).

Tip: I mark 'state' questions do not require multiple levels of calculations.

3e)
A good understanding of production possibility frontiers was shown by candidates answering this question but once again, it was often the level of development and a lack of thorough analysis that 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.

3f)
Although there were a small number of candidates who confused trade unions with trading blocs, many were able to present a reasonable two-sided argument about the impact of trade unions on the labour market. More able candidates showed the possible impacts on an explained diagram.

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

Question 4

4a)
Many candidates were able to calculate the excess demand to be 30 but there were also those who showed a lack of understanding.

Tip: Practice interpreting information form a variety of sources, including graphs, to help understanding of different types of exam question.

4b)
More able candidates were able to analyse the benefits to NBC Universal as they understood they have a unique product. Some failed to analyse though and tried to list benefits 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)
It was often limited economic information that appeared to the issue with candidates scoring lower marks on this question. Although understanding was shown, examiners were looking for responses to be presented that analysed and evaluated economic information rather than more generic reference to Google and other search engine providers.

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 or 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.