

CCEA GCSE - Economics
Summer Series 2017

Chief Examiner's Report

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Foreword

This booklet outlines the performance of candidates in all aspects of CCEA's General Certificate of Secondary Education (GCSE) in Economics for this series.

CCEA hopes that the Chief Examiner's and/or Principal Moderator's report(s) will be viewed as a helpful and constructive medium to further support teachers and the learning process.

This booklet forms part of the suite of support materials for the specification. Further materials are available from the specification's microsite on our website at www.ccea.org.uk.

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GCSE ECONOMICS

Chief Examiner's Report

General Comments

From September 2017, centres will commence teaching the revised specification. Therefore, this examination series represented the penultimate year in which the 'legacy' specification was assessed. The examining team was pleased to see the continued interest in the study of GCSE economics from a slightly broader range of centres. It is also very pleasing to report on the general high standard of candidates' performance which was broadly similar to previous years. The majority of candidates demonstrated a very sound grasp of the economic knowledge, understanding and skills across the two examination papers and this is reflected in the final award of grades.

The pre-release case study, 'The Challenges Facing Developing Countries in a Global Market' provided both a stimulating and challenging context for the report writing task in Paper 1. The majority of candidates engaged well with the source material and their responses to the set task demonstrated the knowledge and skills outlined in the three assessment objectives (AOs).

Performances at the top end of the mark range included effective use of the stimulus material, appropriate application of economic concepts and terminology, and a high standard of analysis and evaluation. The strongest answers effectively applied knowledge and understanding of trade and globalisation to the context of developing countries. Candidates in general demonstrated sound graphical and statistical interpretation skills in relation to the Sources 1, 2 and 4 in particular.

Candidates who were awarded the highest marks managed their time and effort well to complete all sections of the task and write clear, concise and relevant responses. The most heavily weighted assessment objective is AO3, analyse and evaluate evidence, make reasoned judgements and present appropriate conclusions and this year, and this was mainly assessed in Sections 4, 5 and 6. This year, examiners commented on what appeared to them to be rehearsed answers for some of the sub-sections of the report writing task and that many of these answers made limited use of the source material provided. Therefore, it is important that candidates show the ability to weigh up the evidence already provided in the source material to address the task set.

In previous years, candidates who scored less well in Paper 1 often made a strong start to the earlier sections of the report writing task but their performance tapered off in the latter sections. This year, the last two sections were often more strongly completed than the earlier sections. Possible explanation for this may be attributed to better time management and examination technique. The examining team suspect that some candidates completed the sub-sections of their reports in reverse order starting with the final sub-section. This is based on the sequence in which answers were written in the supplementary pages of the examination answer booklet. The time allocation of ninety minutes for Paper 1 appears adequate, hence the rationale for completing answers in reverse order is unclear. There are no hard and fast 'rules' about the sequence in which candidates should address the tasks but to do so in reverse order is inadvisable if this approach is to facilitate the reproduction of rehearsed answers to anticipated questions. If candidates do not focus their responses on the set tasks, the sequence of which are aligned to the flow of the case outlined in the source material, they run a strong risk of scoring well below their potential in this paper. Other common features of weaker performances included superficial use of the source material and of the statistical and graphical data.

The vast majority of candidates performed well in Paper 2. Responses to the short questions in Section A were generally very good although some simple errors were made by some of even the very strongest candidates. Section B was also generally well answered with the majority

of candidates demonstrating good knowledge and understanding of the specification content that was examined in Questions 4 (Producing and Consuming: Demand, Supply and Price Determination) and 5 (Managing the Economy: Government Policy Instruments). Responses to Question 4 were generally stronger than to Question 5. In Section C the standard of answers was generally very good and again, there were some excellent performances that merited the award of marks in the upper mark band. Question 8 (unemployment focus) was by far the most popular choice followed by Question 9 (National Minimum/Living Wage and low wages). Question 6 (social costs and fossil fuel focus) and Question 7 (exchange rate focus) were noticeably less popular with candidates. The weakest responses in Paper 2 were generally caused by a weak performance in Section C.

The quality of written communication (QWC) was assessed in questions and tasks that required extended writing, namely the whole of the report writing task in Paper 1 and the essay in Section C of Paper 2. Similar to previous years, candidates' standard of QWC continues to vary considerably and this affects overall performances. Candidates should be advised to write their answers in continuous prose rather than using abbreviations and symbols. They should also be encouraged to use correct spelling and become familiar with the spelling of economic terms such as budget, loans, aggregate demand and monetary policy. Some candidates cannot spell plural concepts such as 'policies'. Candidates are encouraged to develop their writing style so that they can express 'positive' economic ideas and to use evidence to support any views or opinions expressed. Many candidates' responses would also benefit from the appropriate use of paragraphs to organise and present their points and conclusions.

This year, the examining team reported an increased proportion of scripts that were difficult to read due to the poor quality of handwriting and this made them extremely difficult to mark. Centres are asked to provide opportunities for candidates to practise writing legibly in situations where they are required to write extended answers under the pressure of time. In future, scripts that are illegible will be returned to centres for transcription in line with CCEA guidance.

Paper 1

The report writing task is assessed holistically against all three assessment objectives with a heavier weighting assigned to AO3. The majority of candidates responded well to each of the six sub-tasks and were able to achieve marks consistently in the Level 2 and 3 Mark Bands. Few candidates achieved marks in the Level 4 Mark Band and especially for AO3. Weaker performances were characterised by imbalanced effort across the sub-sections of the task and by limited demonstration of the AOs. This was reflected in the award of marks in the lower bands. Comments below provide some more detailed feedback on candidates' performance on each section of the report.

Task Section

- Task 1** All candidates gave a relevant introduction to the task indicating that they understood the issues facing developing countries in a more globalised market. The majority of candidates kept their introductions short and concise.
- Task 2** The majority of candidates used Source 1 effectively to describe the annual percentage changes in the GDP of less developed countries between 2011 and 2013 and contrasted these trends with the GDP of developed countries. The best answers also made use of the EU data and offered explanations for the negative and very low GDP data in 2012 and 2013.
- Task 3** The majority of candidates successfully interpreted the data in Source 2 to provide examples and compare the main features of a less developed and a developed economy. Malawi was identified as the best example of a less developed country and many responses also selected contrasting data about India and China to illustrate their state of development. The best answers also included supplementary

information about debt that was not included in the source material and these responses were generally more detailed and made more effective use of the source material than the weaker responses.

- Task 4** Most candidates used Sources 4 and 5 to discuss how the UK helps the economic development of less developed countries. Stronger responses included reference to the details in each of these sources such as the distinction between bilateral and multilateral aid, and how the UK provides expertise and educational support to developing countries as well as financial aid.
- Task 5** Candidates generally gave strong responses to analyse how countries may benefit from the removal of trade barriers and the opening up of global trade. They demonstrated sound understanding of this section of the specification content and included many relevant examples to illustrate the potential benefits and challenges associated with more open global trade. Weaker responses were generally superficial and lacked development.
- Task 6** The majority of candidates developed effective discussions about whether developed countries should use international trade or aid to help developing countries. These responses demonstrated good knowledge and understanding about the pros and cons of each approach. However, few candidates made reference to how trade or aid policies could impact on the achievement of sustainable economic development.

Paper 2

Section A

- Q1** In Part (a), the majority of candidates were able to explain what is shown on a production possibility frontier (PPF). In Part (b), the examiners were surprised by the number of candidates who were unable to give an accurate explanation of the meaning of opportunity cost. In Part (c), some candidates were awarded one mark rather than the full two marks because their answers did not specify 2000 smartphones.
- Q2** This was well answered by the majority of candidates. In Part (b), some candidates omitted to include that the rate of interest will be fixed for a set period of time for a fixed rate mortgage. A few candidates confused fixed rate mortgages with tracker mortgages. In Part (c), most candidates gave a relevant advantage and disadvantage of an increase in mortgage lending and a minority of candidates erroneously appeared to think that the government provided mortgages.
- Q3** While generally well completed by the majority of candidates, this question was the least well completed of the three questions in Section A. In Part (a), many candidates gave accurate definitions of inflation but it was disappointing to see frequent errors in definitions of this basic concept. In Part (b), several candidates appeared to confuse inflation rates with interest rates.

Section B

- Q4** This question was very well completed by the majority of candidates although in Parts (a) and (b), a minority of candidates confused the price and quantity axes. Some marks were awarded if these candidates gave the correct equilibrium price and quantity. Parts (c) and (d) were generally well answered.
- Q5** This question appeared to be the more challenging in this section of the examination paper as it was generally less well answered than Question 4. In Part (a), the majority of candidates correctly interpreted that data on UK Public Spending per Person (2013-14) provided in the bar chart. However, some responses seemed to confuse the concepts of

public spending and consumption, and/or average spending per head and total public spending. The latter error was in some instances compounded by the lack of knowledge of the comparative populations of Northern Ireland relative to England, Scotland and Wales. Part (b) was generally well answered but in Part (c), several candidates seemed unaware that corporation tax was a tax on business profits. There were some excellent and detailed answers to Parts (d) and (e).

Section C

- Q6** This was a reasonably popular essay question but only a minority of those who selected it demonstrated sound understanding of the concept of social cost. In Parts (a) and (b), too many candidates conflated social and external costs, hence their marks were confined to the Level 1 Mark Band. This was disappointing as previous Chief Examiner's Reports have highlighted similar errors. Part (c) was quite well answered with most candidates able to explain and analyse some relevant points about the economic impact of phasing out fossil fuels on individuals, firms and the economy. The best answers were very well structured with demonstrated excellent achievement in relation to the assessment objectives.
- Q7** Essay questions on exchange rates are generally not popular with candidates and this year was no exception. For those who did select this essay topic, responses were generally of a high quality with candidates demonstrating clear understanding of exchange rates in Part (a), and in Parts (b) and (c) respectively, of how changes in exchange rates can affect businesses and government objectives. The best answers also included relevant and current examples of how changes in exchange rates are affecting the economy in general.
- Q8** This was the most popular essay question and in Part (a), the majority of candidates demonstrated sound and accurate knowledge of how unemployment is measured. In Part (b), candidates gave detailed explanations of the costs of unemployment to the economy. However in Part (c), some candidates tried unsuccessfully to focus their response entirely on the benefits of fiscal and monetary policy measures to reduce unemployment rather than properly addressing the question as set with its focus on supply side policies.
- Q9** This was a popular question with its focus on wage rates and the National Minimum Wage (NMW) and was well answered. Candidates gave clear and relevant explanations of the NMW in Part (a) and in Part (b), responses included relevant use of demand and supply analysis, and examples to explain why some workers earn low pay. In Part (c), candidates effectively explained how the introduction of a National Living Wage, as outlined in the introductory stimulus, could affect individuals, firms and the economy as a whole.

Contact details

The following information provides contact details for key staff members:

- Specification Support Officer: Arlene Ashfield
(telephone: (028) 9026 1200, extension: 2291, email: aashfield@ccea.org.uk)
- Officer with Subject Responsibility: Jill Armer
(telephone: (028) 9026 1200, extension: 2426, email: jarmer@ccea.org.uk)