

GCSE



Chief Examiner's Report Economics

Summer Series 2023



Foreword

This booklet outlines the performance of candidates in all aspects of this specification for the Summer 2023 series.

CCEA hopes that the Chief Examiner report 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

Subject Overview

It is pleasing to report on the overall high standard of candidates' performances. Many candidates exhibited a robust understanding of economic concepts, knowledge, and abilities, as manifested in their responses to both Paper 1 and Paper 2.

Some candidates' responses to both Paper 1 and Paper 2 were, on occasion, hindered by insufficient utilisation of the provided stimulus material, this includes general information and data presented in tables. It was discouraging to witness some candidates disregarding this resource entirely, especially considering the substantial relevance of the points within the stimulus material that could have been interpreted, analysed, and expanded upon to secure some of the available marks.

Additionally, some members of the examination team found there was an excessive use of abbreviations in the candidates' answers. It would be beneficial for candidates to initially write out the full terminology, followed by its abbreviated form in parentheses — for instance, Balance of Payments (BOP), Economies of Scale (EOS) — before proceeding to use the abbreviation subsequently. Also, several candidates opted to include arrows in their essay responses as substitutes for terms such as 'increase' or 'decrease'. As a reminder, some questions are assessed for Quality of Written Communication (QWC), therefore it is advisable to avoid the usage of arrows when responding to these questions.

The examination team observed that many candidates have the potential to enhance their performances — some slightly and others more substantially — by applying the essentials of examination technique. Candidates are advised to focus on answering the question set concisely. For example, if the question prompts for one demand factor and one supply factor, only two factors in total should be provided, rather than a lengthy list. Also, it was noted that some candidates found 'discuss' questions challenging. Candidates should be advised that such questions demand the inclusion of evaluative points within the response.

Candidates should also read the questions attentively, particularly in Section C of Paper 1, and apply their knowledge, comprehension, and skills to appropriately answer the given question. Weaker responses often displayed attempts to reproduce class notes verbatim, especially for questions with a focus on policies.

Many candidates employed mnemonic devices to structure their responses and include all pertinent content. Nonetheless, it is essential that they possess a proper understanding of the relevant theories to underpin their responses. As iterated in prior years, the quality of written communication (QWC) remains a pivotal aspect that differentiates stronger candidates.

Candidates should be encouraged to craft their responses in prose for those questions where the quality of written communication is assessed. Typically, these are the essay choices in Section C of Paper 1 and the longer mark sections on Paper 2.

Paper 1

Component Overview

Candidates demonstrated competent responses to all questions, showing commendable proficiency in relation to the three Assessment Objectives (AOs). However, candidates are encouraged to pay attention to examination technique, specifically the need for meticulous reading of the questions and responses to the set questions. This advice is especially relevant to Section B, particularly for questions requiring candidates to interpret graphical information.

In Section C, the most outstanding responses included detailed knowledge and understanding related to the sub-components of their chosen essay topic (AO1), demonstrated relevant application of skills and knowledge (AO2), and provided excellent analysis and evaluation (AO3). Conversely, weaker responses could be substantially improved by concentrating on enhancing both the understanding and knowledge of the subject content, and the quality of written communication (QWC).

- Q1 (a)** Most candidates demonstrated an excellent understanding of the factors of production, with only a small number struggling with this concept.
- (b)** The concept of internal economies of scale was well understood by most candidates, who received full marks. However, a few candidates only stated the types without providing full explanations. Surprisingly, some candidates mistakenly identified the division of labour as an economy of scale, even though the Advance Information (AI) provided clear indication of the content to be examined.
- Q2 (a) (b)** Generally, the candidates showed a good understanding of taxation in their responses to both questions, with a few exceptions, which was unexpected given the clarity provided on the AI.
- (c)** Some candidates incorrectly stated that corporation tax was levied on a firm's total revenue rather than on profits.
- Q3** Overall, most candidates responded well to all sections of Question 3, demonstrating a solid understanding of international trade. However, a few candidates struggled to explain the term 'exports' in economic terms. While candidates exhibited a clear understanding of the possible effects on the economy of a rising trade deficit, some confused the trade deficit with the fiscal (budget) deficit, which resulted in no marks awarded.
- Q4 (a) (b)** Most candidates accurately plotted the demand and supply graph and identified the new equilibrium price and quantity. Some candidates lost marks due to incomplete labelling of the diagram.
- (c)** Some candidates confused supply factors with demand factors, resulting in no marks.
- (d)** While this question was reasonably well answered, some candidates struggled to clearly define the rate of interest.
- (e)** This question proved most challenging for many candidates, who struggled to clearly differentiate between an overdraft and a credit card. Despite explaining the concept of a credit card well, many candidates were unable to explain a bank overdraft and its suitability for Michelle. Some candidates overlooked the case study data and failed to calculate which method would be more costly.

- Q5** (a) (b) (c) All sections of this question were well answered by most candidates, who successfully described the trend in unemployment.
- (d) Many candidates detailed more than two policies in their answers, some of which were extremely detailed and arguably deserving of more than the allocated 8 marks. Some focused on fiscal, monetary, or supply-side policies, while a few identified two different fiscal policies and were awarded marks accordingly.
- Q6** This essay question was the most popular.
- (a) Many candidates achieved full marks, although for some this seemed to be the most challenging part of the question.
- (b) Most candidates responded well to this part, though a few focused solely on individuals, firms, or the economy.
- (c) Some excellent responses focused on fiscal, monetary, and supply-side policies. However, some candidates did not discuss the drawbacks of any of the policies, thereby limiting their marking to the Level 2 band.
- Q7** This was another popular question.
- (a) Unfortunately, only a few candidates correctly explained the main characteristics of a developing country to achieve full marks.
- (b) Most candidates focused solely on the negative effects of globalisation, with very few addressing both negative and positive impacts on developing countries.
- (c) Generally, this question was well answered, with some of the best responses focusing on the aid versus trade debate.
- Q8** This question was the least popular.
- (a) The concept of consumer debt was well explained by most candidates, who used relevant examples. The best responses focused on good and bad debt. A few candidates struggled with this concept, despite the information provided in the stimulus material.
- (b) Many candidates discussed the current inflation and the cost-of-living crisis and their impact on personal debt. Candidates were aware of how the current high rate of inflation has impacted household budgets, with many stating that high inflation has caused an increase in household debt as individuals are forced to borrow to maintain living standards.
- (c) While many candidates answered this question well, the responses often lacked comprehensive evaluation of the impact of high levels of consumer debt on the UK economy. This limited evaluation offered an opportunity for the high-performing candidates to display their understanding of macroeconomic concepts such as cost-push inflation, aggregate demand, employment, economic growth, and the Balance of Payments. Some candidates focused solely on the drawbacks of debt and failed to consider the benefits, which restricted them to Level 2.

In conclusion, Paper 1 was answered well and there were no observed timing issues. Both candidates and teachers should concentrate on the highlighted areas above for improved performance in future examinations.

Paper 2

Component Overview

Typically, candidates found Paper 2 more challenging in comparison to Paper 1. This paper's inherent lack of choice posed difficulties for some candidates, especially concerning some economic principles. Several examiners commented on an evident lack of preparedness amongst the candidates for Paper 2, most noticeably in Question 1, which centred around demand, supply, and Price Elasticity of Supply (PES).

- Q1**
- (a)** For Part (a), it was encouraging to note that most candidates performed well, achieving full marks. However, disappointingly, some candidates did not utilise the data provided or correctly identify the overall trend in Figure 1.
 - (b)** In Part (b), the answers were largely accurate. Yet, a few candidates demonstrated confusion between demand and supply factors.
 - (c)** Part (c) saw most candidates effectively calculate the Price Elasticity of Supply (PES).
 - (d)** However, during Part (d), a significant number of candidates seemed unfamiliar with this concept. This was particularly disappointing considering that this topic was explicitly mentioned in the advance information guidelines. Notably, some candidates confused PES with Price Elasticity of Demand (PED).
 - (e)** Many candidates struggled to articulate why the supply of housing is price inelastic. However, a few candidates provided excellent responses, demonstrating a robust understanding of the concept, and thus achieved full marks.
 - (f)** In Part (f), rather than offering focused answers on the specific context of the housing market as the question required, many candidates gave generalised responses about the macroeconomic implications of rising prices. This lack of specific application inevitably led to some poorer responses.
- Q2**
- (a)** Part (a), most candidates performed excellently, achieving full marks for their calculations.
 - (b)** For Part (b), a few candidates confused cost and revenue schedules, incorrectly labelling the axis. However, most candidates provided correct responses and achieved full marks.
 - (c) (d)** Parts (c) and (d) were generally answered well. However, in Part (d), some candidates offered excessive detail for a 2-mark question, possibly spending more time on these sections than necessary.
 - (e)** Part (e) was well-answered overall, although a few candidates veered from the specific focus on the domestic tourism industry and instead discussed the broader context of the Northern Ireland economy and the depreciating pound value. However, many candidates achieved full marks by providing detailed responses about 'staycations' and visitors from the EU.
 - (f)** In Part (f), candidates should ideally have achieved full marks given that this question has been examined multiple times before. However, many failed to differentiate between private and external costs and benefits – a fundamental concept at GCSE level. That said some candidates did provide excellent responses with a clear judgement about whether the tournament should proceed, thus achieving full marks.

In conclusion, this paper seemed to present more challenges for candidates than Paper 1. However, there were no questions unanswered or any observed timing issues. If candidates and teachers focus on the highlighted areas above performance may be improved in future examinations.

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