



Examiners' Report Principal Examiner Feedback

January 2023

Pearson Edexcel International GCSE
Economics
(4EC1 01)

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Introduction

Overall, a good awareness of economics was shown by candidates taking this paper. 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 division of labour, referring to both 'breaking up the production process' and 'performing only one task'. A range of suitable answers were accepted providing accurate understanding was shown. 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 well answered by students but a few stated an incorrect factor. It is important to be accurate when stating economics terminology in order to achieve the mark.

Tip: There is only 1 mark so it is either right or wrong, there is no need to go into further detail.

1e)

Another encouraging set of responses was seen, showing good understanding of the term 'public sector' by many candidates.

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 PED was seen. An answer of '-1.28' achieved both marks but a correct calculation without the correct final answer secured one mark.

Tip: Remember not to put any units in the final answer when calculating elasticity

1g)

Again, a very good understanding was 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 reasons. Some of these were developed to secure a second and, in a number of cases, a third mark but some gave a list of reasons. There was only ONE mark available for ONE reason.

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 were seen which accurately focused on YED. However, a number of these did not answer the question in relation to its usefulness to a firm such as Megabus, copied parts of the extract or were with limited development. Candidates sometimes struggled to show selectivity 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 term 'barriers to entry' was reasonably well understood by many candidates but a few gave examples instead of actually referring to the term.

Tip: There are two marks available for an accurate definition on 'what is meant by' questions.

2d)

Candidates showed a strong understanding by accurately calculating total costs. Some candidates failed to show the \$ and so scored only 1 mark.

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

2e)

There was a good understanding of subsidies shown but some candidates gave a definition or a disadvantage to a firm rather than answering the question. Neither of these resulted in any marks. Any appropriate disadvantage with either a cause or consequence to a government, secured both marks.

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

2f)

Numerous reasons were given in relation to why Heather decided to keep her business small and these were explained in order to access more than just a one mark. Some responses however, gave two or three reasons rather than developing/contextualising just one.

Tip: 'Explain' questions only ask for ONE reason/advantage/factor etc.

2g)

Candidates were usually able to offer an understanding of economies of scale. A main discriminator was in assessing the economies of scale referred to in relation to the merger. This left the answer somewhat undeveloped. Responses were not always balanced or assessed using (an) alternative viewpoint(s). Developed analysis was 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 able to show a diagram, showing a supply curve with price elastic supply. However, some failed to score all three marks, due to a lack of labelling or not showing the greater change in quantity compared to change in price on the diagram.

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

3d)

A good understanding of the need for a government to supply flood defences was shown by candidates' responses. However, it was sometimes a lack of development and analysis that led to lower attainment in the levels. Credit was given to answers that analysed the need for public goods as well as those analysing the ongoing benefits to the economy by reducing the problems caused by flooding.

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

3e)

Knowledge of trade unions was pleasing in response to this question, with some good points raised regarding the positive impact on employees and/or the higher cost to Morrisons. This was often stronger than the alternative viewpoints offered concerning potential increasing productivity offsetting extra costs for the supermarket and/or passing on extra costs through higher prices to customers. Some candidates were unable to present more than a basic understanding in attempts to make the points relevant to the context of question.

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 show understanding of the opportunity cost involved and correctly calculate the capital goods sacrificed. There were also those who failed to show understanding that the opportunity cost related to capital goods.

Tip: It is advisable to show workings in 'calculate' questions.

4b)

Equilibrium price appears to be an area of the specification that has been studied in detail and students were, in part, able to use the evidence to support analysis of its determination. However, some confusion was evident where responses stated a higher supply automatically led to a higher demand or where no analysis was offered.

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)

Understanding of competition was apparent from many responses but there were frequent diversions which just copied the extract rather than develop points made in answer to the question. However, more successful responses, which did focus on evaluating the impact on customers of the restaurants, were often able to present valid arguments about the advantages and disadvantages in the context of the extract.

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.