



# Examiners' Report

## Principal Examiner Feedback

January 2023

Pearson Edexcel International GCSE  
Economics  
(4EC1 02R)

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## **General**

Overall, candidates' performance showed a sound grasp of economic concepts. Answers suggested that candidates had been prepared for this paper. There appeared to be use of economic terminology throughout all sections of the paper.

Better candidates demonstrated excellent application of their knowledge to the precise question set, whilst some candidates attempted questions from a 'common sense' approach rather than demonstrating any economic concepts or theories.

The examination paper required candidates to apply their understanding; some candidates performed strongly, with clear development of points. Examination timing skills appeared to be very good.

## **Report on individual questions**

### **Question 1a:**

Most candidates were able to correctly identify what the ILO measures.

### **Question 1b:**

Most candidates were able to correctly identify an example of a progressive taxation used in the UK.

### **Question 1c:**

There were two parts to the definition of what is meant by 'deregulation'. Candidates had to provide both parts to gain 2 marks. Many candidates were able to gain at least 1 mark for this question for some basic understanding of removal of rules. Examples of deregulation were not rewarded.

### **Question 1d:**

Many candidates were able to give a negative impact of economic growth with inflation or damage to the environment being the most popular. The second mark was awarded for the reason the development of why the negative impact might occur.

### **Question 1e:**

Many candidates were able to calculate the correct answer so achieved 2 marks. Marks were not awarded if the € sign was missing. It is essential that candidates show their workings to gain 1 mark if an incorrect answer is given or if units are missing otherwise marks cannot be awarded.

### **Question 1f:**

Marks were awarded for the correct rightward shift of the supply curve, a lower equilibrium price, labelled and for a higher equilibrium quantity, labelled. Unfortunately, many candidates shifted both the supply and demand curve so therefore scored 0 marks. Candidates will only ever be asked to shift one curve for these types of questions and will automatically receive 0 marks if both curves are shifted.

### **Question 1g:**

This proved to be a popular question with many candidates being able to score at least 1 mark for identifying an impact. No marks are available for definitions for any of the 3-mark questions. A mark

was available for any suitable impact such as increased living standards. An additional mark was available for developing the stated impact and a third mark was available for either applying this to the context or for the application of economic concepts.

#### **Question 1h:**

This question was marked using a levels-based mark scheme. The question focused on the impact of education and training on the productive potential of a country such as Vietnam. Application could have been references to the information in the stem of the question or candidates' own knowledge of the impact in terms of increased output due to an improvement in skills of the workforce. Some candidates gave a list rather than developing or analysing how education and training might result in higher levels of output and therefore economic growth. Again, some candidates evaluated, and marks cannot be awarded for evaluation on a 6-mark question.

#### **Question 2a**

Most candidates were able to correctly identify structural unemployment as the correct answer.

#### **Question 2b**

Most candidates were able to correctly identify option B as the correct answer.

#### **Question 2c:**

This is the only 'State' question on the examination paper. Candidates were asked to state a possible advantage of free trade. Candidates did not have to explain their chosen advantage. Overall, this question was answered well by all candidates.

#### **Question 2d:**

This was well answered with many candidates being able to score 2 marks for an accurate definition of pollution permits.

#### **Question 2e:**

This question asked for a possible way an airport could damage the environment and was very well answered by candidates. Many looked at the impact of noise and air pollution for local residents. Again, some candidates just gave a list of ways so could only score 1 mark due to a lack of explanation.

#### **Question 2f:**

This was a popular question and many candidates were able to score 3 marks for correctly shifting the supply curve to the right. Some candidates shifted both curves which results in 0 marks being awarded.

#### **Question 2g:**

This was the first 9-mark levels-based question on the examination paper. This was very well answered with many candidates able to access level 2 and level 3. Many candidates could give a balanced assessment as to the likely effectiveness of fines to protect the environment often with very good counter arguments using the data provided. A conclusion is not required for the 9-mark questions.

#### **Question 3a:**

Many candidates were able to correctly identify option C as the correct answer.

**Question 3b:**

This was a challenging question with the majority of candidates unable to correctly identify the correct answer.

**Question 3c:**

This question required candidates to explain one reason why the quality of domestic goods might have had a positive impact on the current account. Many candidates were able to score at least 1 mark for stating exports might increase from this. Marks were awarded for developing why this would be the case and contextualising by either the use of the data in the question or the application of economic concepts. Marks are not available for definitions for any of the 3-mark questions.

**Question 3d:**

This 6-mark question asked for analysis of the benefits of investing in healthcare in China. This was very well answered by many candidates with excellent use of context to support the analysis and use of economic theories throughout. This was the best performing 6-mark question on the examination paper.

**Question 3e:**

This question was answered much better in comparison to the earlier 9-mark question on the examination paper. More candidates were able to access level 2 and level 3 demonstrating a good understanding of the drawbacks MNCs can have on a country. The counter argument was often more detailed with some candidates considering the many benefits MNCs can bring to a country such as jobs, skills transfer and investment into the local economy. Some candidates only listed the drawbacks and advantages rather than provide a developed assessment. A conclusion is not required for 9-mark questions.

**Question 4a:**

Some candidates were able to correctly calculate the percentage change in GDP per capita and give the correct answer to two decimal places so gained 2 marks. Again, many candidates did not include the % sign or did not give their response to two decimal places therefore could only receive 1 mark. It is essential that workings are shown and the correct unit and decimal place are used to gain 2 marks.

**Question 4b:**

This question required a one-sided argument regarding the impact of a continuous current account deficit in Egypt. Unfortunately, many candidates did not read the question carefully and analysed a fiscal deficit rather than a current account deficit so could not be awarded any marks. Answers were lacking in detail and overall candidates did not perform as well on this question compared to other 6-mark questions on the paper.

**Question 4c:**

This was the highest mark question on the paper. Many candidates were able to evaluate the extent to which fiscal policy could be used to control inflation in a country such as Egypt. Better responses used the information in the extract rather than just copying it and could provide detailed chains of

reasoning to access level 2 and level 3. A conclusion was required for this question and this was often lacking or was just a repeat of the points made previously.

### **Summary**

There are several points which could raise performance in future sittings. Based on their performance on this paper candidates are offered the following advice:

1. Read the questions carefully in terms of the command words. It was clear that some candidates were not aware of the demands of the question or how to structure their responses.
2. What is meant questions will always require two parts to the explanation and examples are not rewarded.
3. Quantitative Skills will be tested throughout the paper and these may be in the form of calculations, diagrams or using the data from the Extracts.
4. For calculation questions, it is essential that the answer has the correct units or is to two decimal places (if specified).
5. The 'Explain' questions will always have one context mark and this can be for either using (not just copying) the information from the stem or for a detailed application of the economic concept so ensure that there is sufficient development in the response to gain all 3 marks. Marks cannot be awarded for definitions so do not waste time giving a definition in any of the 3-mark questions.
6. Analyse – this question only requires a one-sided argument and evaluation is not required for a 6-mark Analyse question.
7. The command words 'Assess and 'Evaluate' are evaluative command words so candidates must provide both sides of an economic argument to achieve full marks.
8. Use of relevant application is required throughout and this can be from the Extracts provided or using examples provided by the candidate themselves. The Extracts are there for a reason so do use them.
9. Use economic concepts rather than generic 'common sense' answers.
10. Examination timings – make sure there is enough time to answer the 12-mark question.