



Examiners' Report
Principal Examiner Feedback

November 2021

Pearson Edexcel International GCSE
In Economics (4EC1/01)

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General

Overall, a good awareness of economics was shown by students taking this, the third paper of the new International GCSE specification. 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.

Report on individual questions

Question 1

1c)

Candidates showed good understanding with accurate definitions of productivity, referring to both 'output produced' and 'input used'. 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 gave an incorrect formula. 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, so remember to include the FULL formula.

1e)

Another encouraging set of responses, showing good understanding of the term 'producer' by many candidates. A range of suitable answers were accepted including reference to a person providing products.

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 firm's total costs. An answer of '\$237 500' achieved both marks but a correct calculation without the correct final answer secured one 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).

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. 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 mark but fewer placed the answer in the context.

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 which accurately focused on economies of scale. However, a number of these did not answer the question in relation to *technical* economies, copied large parts of the extract or were with limited 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)

The reasons why firms stay small were well understood by many candidates but a few wrote more than was needed to achieve the mark. No marks are lost for this but it could be using up valuable time

Tip: There is only one mark available for 'state' questions and examiners do not expect you to write a lot.

2d)

Candidates showed a strong understanding by accurately calculating PES.

Tip: It is recommended that you always show your working in a 'calculate' question.

2e)

Many candidates were able to show understanding of the term price-maker but some were too vague in their response by simply referring to someone who sets the price. To achieve the mark, understanding of the dominance of the (firm) or that it was the price set for the whole market was needed.

Tip: Try not to be vague or ambiguous in your response.

2f)

There was a good understanding of factors of production but some candidates gave a definition or a list of the factors rather than answering the question. Neither of these resulted in any marks. Any reason (such as the firm using the computer to run its business) and development (such as a computer being capital) secured both marks.

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

2g)

The fact that a lack of finance would affect Abi's ability to expand was understood by many candidates and this was explained in order to access more than just a knowledge mark. Good answers linked the small size of the cafe with it being less likely for banks to provide a loan. Some responses however, simply repeated the question/stem with reference to the rent costing double.

Tip: There is 1 x AO2 mark for 'explain' questions, meaning that the answer needs to be put in context in order to receive full marks.

2h)

Candidates were usually able to offer the basics of the response. A main discriminator was in discussing the effectiveness of the government regulation and instead simply repeating the content of the stem. This left the answer somewhat undeveloped. Responses were not always balanced or assessed using the data provided. 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.

Question 3

3c)

Candidates were often able to show an accurately labelled diagram, showing a higher wage rate as a result of the introduction of a minimum wage. However, some failed to score all three marks, due to a lack of understanding regarding the implications on the quantity of labour supplied and/or demanded.

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

3d)

A good understanding of the demand curve was shown by candidates' responses with analysis of why advertising would shift the demand curve to the right, as well as accurate diagrams to aid this analysis (these were not a requirement). However, it was sometimes a lack of thorough analysis that led to lower attainment in the levels.

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

3e)

Evaluation of alternative methods to increase the supply of labour was often stronger than the analysis of raising the retirement age. 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 percentage changes and do the calculation for which the figures were given in the question. There were also a small number who failed to use units.

Tip: You must always use units where they are appropriate.

4b)

Oligopolies appear to be an area of the specification that has been studied in detail and students were, on the most part, able to use the evidence to support analysis of the trekking market in Pokhara being an oligopoly.

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 privatisation was apparent from many responses but there were frequent diversions into the benefits to consumers, employees and the government rather than Air India, as asked by the question. However, more successful responses, which did focus on evaluating the benefits to Air India of privatisation, were often able to present valid discussion about the advantages and disadvantages in the context of the airline.

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.