



# Examiners' Report Principal Examiner Feedback

November 2024

Pearson Edexcel International GCSE  
In Economics (4EC1)  
Paper 1: Microeconomics and Business Economy

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## **Introduction**

A good awareness of economics was shown by candidates who sat this paper at International GCSE level. In general, candidates seemed to be well prepared for the topic areas covered by Paper 1.

Where applicable on the levels-based questions, the ability of the more able candidates was shown through relating knowledge and understanding to the evidence presented. Those candidates who found such concepts difficult, typically answered such questions with a more generic approach.

The levels of response questions required knowledge to be developed and applied to the relevant evidence. Although many candidates did adopt this approach, there were instances where a more basic understanding was demonstrated, thus limiting the attainment of higher levels.

### **Question 1**

#### **1c)**

'What is meant by' questions have two marks and require two parts in the explanation of the term. No marks are given for examples. As per the mark scheme, reference to 'positive' was needed for one mark. The second mark came from indicating the effect was on 'third parties'. Any other appropriate responses were also credited.

#### **Examiner Tip**

A two-part question will need two parts to the response.

#### **1d)**

This question was well answered by students but a few appeared to misread the question, instead giving a definition.

**Examiner 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 by many candidates. Any appropriate response defining a takeover was accepted for one mark but the term in the question should not be repeated.

**Examiner 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 PES was seen. An answer of '0.39' achieved both marks but a correct calculation without the correct final answer secured one mark.

Examiner 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.

Examiner 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)**

Some candidates did not receive marks because they only explained goods being price elastic, with no indication of why this was over time, thus not answering the question. Only one mark was available for a reason, marks two and three were for putting the response in context and for a cause/consequence of the opportunity cost.

Examiner Tip

'Explain' questions require a way/advantage/reason which is in context and developed in order to score all 3 marks

**1i)**

This is the first levels-based question on the paper. 'Analyse' questions require a one-sided argument. An excellent understanding of factors of production was seen but these needed to be analysed to progress up the descriptor table.

There are no marks for evaluation.

Examiner Tip

Do not present a counter argument in 'analyse' questions as there are no marks for AO4. It will therefore leave less time to answer other questions.

## Question 2

### 2c)

Candidates were able to correctly calculate the total variable costs in the most part, thus earning two marks. However, some candidates added all the data together, demonstrating a lack of understanding in this topic area.

#### Examiner Tip

Make sure you **always** use the correct units for 'calculate' questions.

### 2d)

'What is meant by' questions have two marks and require two parts in the explanation of the term. Reference to private benefits (1) and external benefits (1) were needed to score both marks. Any other appropriate responses were also credited, as long as understanding of the term was shown.

#### Examiner Tip

There are no marks for examples with 'what is meant by' questions.

### 2e)

For 'describe' questions, only one mark can be given for a way/reason/feature. A number of features of a monopoly were offered, each scoring the mark available. The second mark is for development of that feature.

#### Examiner Tip

There are no marks for definitions with 'describe' questions.

### 2f)

As with all 'explain' questions, only one effect/reason/way can be credited.

A second mark is available for putting the response in context and a third for developing the response. The most common way seen for all three marks to be scored was to reduce monopoly power – leading to more competition – thus reducing taxi fares.

#### Examiner Tip

Try to avoid repeating the question as there are no marks for doing this and it uses valuable time that could be used answering another question.

**2g)**

A two-sided argument with developed chains of reasoning and use of the evidence was presented by more able candidates. Some candidates however, only provided a list of advantages and disadvantages of trade unions, therefore failing to answer the question.

Alternatively, some responses simply repeated the information provided rather than using it to answer the question. Better responses used the fact a wage increase had occurred and developed this. Then countered it with the fact not the full 10.5% being aimed for was achieved, again developing this.

**Examiner Tip**

Simply copying the extract will not lead to high marks. Instead, evidence needs to be used when answering the question.

### **Question 3**

#### **3c)**

A pleasing number of candidates were able to answer this question accurately and achieve full marks. Unfortunately, some candidates failed to understand the need to label the axis 'toothpaste' and 'shampoo' and/or shifted the PPC outwards.

Labelling is required on diagrams to score all the marks available.

#### **Examiner Tip**

Label your diagram in order to achieve full marks.

#### **3d)**

Candidates who achieved Level 3 on this question used the evidence from the data, including the diagram, appropriately. There was also a good awareness of understanding shown in developed points, including aspects such as a 36% increase in the minimum wage being significant.

#### **Examiner Tip**

One-sided arguments only are required for 'analyse' questions. Focus on developing applied points to present a strong analysis of the situation, rather than listing numerous points as this will not lead to the 'thorough analysis of issues' required for top Level 3 responses.

#### **3e)**

Top level responses provided a balanced assessment of whether quality of labour is likely to lead to productivity, or factors that may reduce this/mean it is less or unlikely to occur, using appropriate evidence (from the data provided).

#### **Examiner Tip**

'Assess' questions require a balanced, two-sided argument which is applied to the data presented. There is no requirement for a conclusion or judgement but the analysis and evaluation should be developed, thorough and applied throughout the response.

## **Question 4**

### **4a)**

A correct answer of 6,500 scored both marks for this 'calculate' question but it is always recommended to show full workings.

#### Examiner Tip

It is recommended that you always show working in 'calculate' questions.

### **4b)**

Knowledge and understanding of inefficient allocation of resources was demonstrated in many responses, presenting analysis surrounding the lack of information available. Some good analysis, with developed, contextualised points was also presented. However, some candidates only presented a list of points and/or repeated the data, rather than analysed it.

#### Examiner Tip

Focus on applying and developing each chain of reasoning rather than listing several separate points.

### **4c)**

A very good use of evidence was provided by candidates achieving Level 3 on this question. This was in conjunction with a balanced, two-sided argument. However, some candidates failed to link the argument(s) to an economy of scale and/or showed no understanding of why it/they could reduce average costs as X expanded. Others simply repeated the evidence rather than using it, thus reducing their ability to attain a mark at the top level.

#### Examiner Tip

A supported judgement or conclusion is required by top mark, Level 3 responses in '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.