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# **GCE AS EXAMINERS' REPORTS**

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**ECONOMICS  
AS**

**SUMMER 2023**

## Introduction

Our Principal examiners' reports offer valuable feedback on the recent assessment series. They are written by our Principal Examiners and Principal Moderators after the completion of marking and moderation, and detail how candidates have performed.

This report offers an overall summary of candidates' performance, including the assessment objectives/skills/topics/themes being tested, and highlights the characteristics of successful performance and where performance could be improved. It goes on to look in detail at each question/section of each component, pinpointing aspects that proved challenging to some candidates and suggesting some reasons as to why that might be.<sup>i</sup>

The information found in this report can provide invaluable insight for practitioners to support their teaching and learning activity. We would also encourage practitioners to share this document – in its entirety or in part – with their learners to help with exam preparation, to understand how to avoid pitfalls and to add to their revision toolbox.

## Further support

Document	Description	Link
Professional Learning / CPD	Eduqas offers an extensive annual programme of online and face-to-face Professional Learning events. Access interactive feedback, review example candidate responses, gain practical ideas for the classroom and put questions to our dedicated team by registering for one of our events here.	<a href="https://www.eduqas.co.uk/home/professional-learning/">https://www.eduqas.co.uk/home/professional-learning/</a>
Past papers	Access the bank of past papers for this qualification, including the most recent assessments. Please note that we do not make past papers available on the public website until 6 months after the examination.	<a href="http://www.wjecservices.co.uk">www.wjecservices.co.uk</a> or on the Eduqas subject page
Grade boundary information	Grade boundaries are the minimum number of marks needed to achieve each grade. For unitised specifications grade boundaries are expressed on a Uniform Mark Scale (UMS). UMS grade boundaries remain the same every year as the range of UMS mark percentages allocated to a particular grade does not change. UMS grade boundaries are published at overall subject and unit level.  For linear specifications, a single grade is awarded for the overall subject, rather than for each component/unit that contributes towards the overall grade. Grade boundaries are published on results day.	For unitised specifications click here:  <a href="http://www.eduqas.co.uk/Results-and-Grade-Boundaries">Results and Grade Boundaries (eduqas.co.uk)</a>

Exam Results Analysis	WJEC Eduqas provides information to examination centres via the WJEC secure website. This is restricted to centre staff only. Access is granted to centre staff by the Examinations Officer at the centre.	<a href="http://www.wjecservices.co.uk">www.wjecservices.co.uk</a>
Classroom Resources	Access our extensive range of FREE classroom resources, including blended learning materials, exam walk-throughs and knowledge organisers to support teaching and learning.	<a href="https://resources.eduqas.co.uk/">https://resources.eduqas.co.uk/</a>
Bank of Professional Learning materials	Access our bank of Professional Learning materials from previous events from our secure website and additional pre-recorded materials available in the public domain.	<a href="http://www.wjecservices.co.uk">www.wjecservices.co.uk</a> or on the Eduqas subject page.
Become an examiner with Eduqas.	We are always looking to recruit new examiners or moderators. These opportunities can provide you with invaluable insight into the assessment process, enhance your skill set, increase your understanding of your subject and inform your teaching.	<a href="#">Exam Marking jobs   Examiner &amp; Moderator Vacancies From Eduqas</a>

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## Subject Officer's Executive Summary

The summer 2023 examinations were slightly more accessible compared with summer 2022. The mean mark of both components increased, component one by 2.5 and component two by 3.5.

Candidates had strong knowledge of the aggregate demand curve and understanding of a subsidy. There were occasions where the question needed to be read carefully, e.g. question 1aii referred to the subsidy not a subsidy.

Areas for improvement	Classroom resources	Brief description of resource
Integration of diagrams and changes to the diagrams into candidates explanations.	Draw diagram, show shift & write explanation activities.	Classroom activity
Development of why and how using economic theory.	Analyse the impacts of news story description.	Classroom activity based on contemporary news item.
Following instructions in the questions.	Identify the requirements of the question using past paper questions and mark schemes.	Past papers and command words list.

**ECONOMICS**

**GCE AS**

## INTRODUCTION TO ECONOMIC PRINCIPLES

### Overview of the Component

An 'Introduction to economic principles' that covered both micro, macro and international economics. A range of questions that assessed AO1 knowledge, AO2 application, AO3 economic analysis and AO4 evaluation and judgement skills in a short context format.

On the whole candidates found the contexts and questions accessible, though there were at times, lack of precision within their responses. A few candidates found the quantitative calculation questions more challenging, though on the whole performance across the "using your own numerical example" and consumer surplus difference question was good.

The paper consisted of 5 questions but with 4 of these questions containing sub questions leading to a total of 10 questions, it posed a challenge to a few candidates that allocated too much time and detail to the first 3 questions. The paper continues to be one that is time sensitive and so candidates benefit from having a direct answering approach in order to use the time efficiently.

The paper appeared to perform in line with previous examinations, with accessibility to questions in line with the 2018 paper and a little easier than the 2019 and 2022 papers. The mean mark increased from 2022 but was below 2019.

### Comments on individual questions/sections

- Q.1**
- (a)** focused on income inequality. Unfortunately, a large proportion of candidates did not recall a precise definition of income inequality. Definitions such as these that contain multiple details are often ones that candidates find more difficult to state precisely enough to qualify for all the marks. Strongest answers were linked to welfare loss and referred to a small % of the population gaining a large % of the income earned.
  - (b)** the strongest answers did use the data provided as a numerical example, but this was not required as a candidate could have used their own data to support their answer.
  - (c)** posed a greater challenge. The strongest answers used the data from all 3 figures as requested by the question and then supported this with adequate economic theory such as progressive taxation and increased welfare spending for their analysis and debate. However, often candidates just described the data, and lacked economic analysis to support their considerations as in figure 3 the data suggested government spending and taxation had been used.
- Q.2** **Question 2** assessed the technical economic understanding of the aggregate demand curve. Although most candidates could draw the downward curve, a few struggled to use the labels provided and integrate it into their explanation. It continues to be desired economic practice to integrate, using labels, the diagrams into text explanations to support the argument. However, the greatest challenge for candidates was identifying a relevant reason for the downward sloping shape and

then link to one of the factors of AD with some candidates using micro demand curve explanations. Candidates should be aware of how micro and macro explanations differ when considering demand and supply.

- Q.3 (a)** appeared accessible with the majority of candidates drawing a supply curve with outward shift when the tax is increased. Though a large number missed the context of the change being that of an advalorem tax in contrast to a specific tax per unit. There were a percentage of responses that did not label the change in quantity or change in price. Appropriate diagram drawing includes the original and new quantity/price correctly labelled. Some candidates used precious time on writing explanations of the impact, however the question only requested the change to be shown/drawn. As such candidates should follow the instructions in the question.
- (b)** as a 10 mark evaluation answer allowed the stronger candidates to use their economic understanding to judge whether Modi's policies had been effective. The strongest answers here linked the policies on the previous page to the figures presented with an appreciation of the supply-side nature of Modi's policies. Less strong answers focused on judging to what extent the data showed improvement without the use of economic analysis of the policies and how they could have led to those improvements. Questions based on data still require economic analysis using theory to support their reasoning.
- Q.4 (a)** Question 4 evidenced some confusion between free goods and public economic goods as candidates compared free goods and private economic goods. This was a specific question on a specific term on the specification, as such candidates require comprehensive recall of key terms throughout the course.
- (b)** was an accessible question on outdoor gyms. Strongest answers here used the information provided to support their argument on why local government might wish to provide them. These arguments focused on the economic theory of market failure and under provision otherwise of merit goods or the need to decrease external costs with explanation of how the outdoor gym could help. Effective answers then used the information provided to support a counter argument before coming to a final judgment set in the context given, rather than a generic end judgment.

- Q.5 (a)** did appear challenging given its assessment of a technical element of the course. If the candidate understood the concept of consumer surplus then in most cases they accessed the marks. There was some confusion between consumer and producer surplus. Whilst candidates at times struggled to show strong mathematical skills as they were not aware of calculating the value of a triangle. It is important to note that a correct use of the value of the outcome of any mathematical calculation is required. In this case candidates often forgot to express their answer in \$ (000's) as mentioned on the graph.
- (b)** was a question with a mix of response, possibly due to time constraints. The question was quite broad in terms of the effects on the USA economy. Typically for a question focused on outcome on an economy, candidates are encouraged to consider suitable macro-economic objectives. There is often an ability to partly agree with the question using data and macro economic analysis before considering a counter argument and overall judgment set in the context of the situation provided. If looking into the future, the outcome may well depend, but this needs to be set in the context of the situation/economy presented.

# ECONOMICS

## GCE AS

Summer 2023

### EXPLORING ECONOMICS ISSUES

#### Overview of the Component

Exploring economic issues that covered both micro, macro and international economics. A range of questions that assessed AO1 knowledge, AO2 application, AO3 economic analysis and AO4 evaluation and judgement skills in a case-study based format. Some questions directly related to the case study, whilst in others the case study could have been used but was not a necessity. The first case study focused on Palm Oil with the use of the Indonesian and Malaysian economies. Whilst the second case-study focused on the inflation suffering Argentinian economy.

Candidates appeared to find the palm oil case more accessible, perhaps as there were a greater proportion of micro-economic questions in comparison to macro-economic in this case. However as in previous years each case will attempt to cover elements of micro, macro and international economics.

Case one contained 7 questions, as did case two. Each examined the required AO1, AO2, AO3 and AO4 skills.

This paper appears a little less time sensitive than Component 1 and in the majority of cases candidates completed the paper. A small percentage of candidates missed 1 or 2 questions, a smaller percentage of candidates missed more than 2 questions. As such, a direct answering approach is still beneficial on this paper, candidates should avoid losing time on introductions or restatements of the question. The detail in written responses was noted to be lacking at times, specifically in regards the detail of developed analytical chains in their arguments and their evaluations. Diagrams could have been integrated into candidates' chains of analysis more effectively.

The paper appeared to perform in line with previous examinations, with accessibility to questions in line with the 2018 paper and easier than the 2019 and 2022 papers. The mean mark increased from 2022 and inline with 2019.

#### Comments on individual questions/sections

- Q.1 (a) (i)** was a nice starter question, candidates often showed a true understanding of subsidies by showing its 2 parts for 2 marks.
- (ii)** was more difficult and intended to allow candidates to show the consumer and producer incidence of a subsidy linked to the elastic nature of the good. Only a limited number of responses successfully identified this and even then an even smaller number did so correctly.

However, alternative approaches such as consumer surplus and producer surplus were used more effectively and awarded. Hence highlighting the importance of understanding the more technical elements of the specification but also the ability to apply theories in unusual circumstances. However, only a small number of candidates realised it was an applied question, and so candidates are required to carefully read the question as in this case the question read “the subsidy” in contrast to “a subsidy”.

- (b)** was accessible with the strongest answers starting off with a definition of an external benefit before then explaining the impact and consequence on the 3<sup>rd</sup> party. Candidates do not need to start their answer with a definition, however using one at some point in the answer is an effective way to pick up knowledge marks. This was a question where at times the development of reasoning was lacking with a simple cause and statement of outcome, without any reasoning used.
- (c)** showed a wide range of quality of answers, the strongest evidenced an excellent understanding of how tradeable pollution permits work in contrast to just knowing what they are. This understanding of process was then leveraged in their explanations of why and how a drop in price could lead to firms emitting more pollution. Candidates that can understand and recall the processes by which government intervention into markets occur can often use these to underpin their AO3 analysis.
- (d)** appeared to be a question that candidates enjoyed answering. There was plenty of information in the data and case to use, with candidates linking their arguments to the inefficient allocation of resources within market failure. As market failure is a major topic area, it is unsurprising that candidates are prepared with questions upon it. However, this question was specifically about the allocation of resources, such as land and labour. As such the strongest answers used the data in terms of either the land data in the graphic or labour data in the table. All information on the exam paper is there for a purpose, it may apply to one or multiple questions. In this case the land data in the graphic was intended for this question specifically, whilst the labour data could be used for another question also.
- (e)** was based on the information on the RPSO being a voluntary organisation in the case. Though it was not always clear that candidates understood the nature of regulations in terms of restrictions or laws. As such the strongest responses made it clear by using the definition of the key term in their answer which led to the answer to be less descriptive. Candidates were required to give an overall decision having had considered both sides of the argument. A large number of responses did not consider an alternative viewpoint, which is required in a discuss question. As such candidates are encouraged to understand the requirements of the question through the command word instruction.
- (f)** was a question that required candidates to consider the scale of impact on 3 outcomes in the question. Candidates should look to take their instructions from the question and discuss all 3 outcomes. The strongest answers used both the macro economic data from the table with the information about the EU and Malaysia in the case.

In some answers the detail of analysis was lacking in development, often with statements of X will lead to Y, lacking reasoning. Candidates should write concisely but also ensure they justify why and how X can lead to Y to ensure their analysis is developed. If looking into the future, the outcome may well depend, but this needs to be set in the context of the situation/economy presented.

- Q.2 (a)** allowed candidates to hypothesise and reason for a lack of investment and then explain why capital investment would not occur. There appeared to be some misunderstanding between capital investment by firms and financial investment into assets such as shares.
- (b)** was an accessible question, however candidates are encouraged to remember to integrate their diagrams into their explanations using the labels outlining the changes in the diagram. Whilst the question is relatively accessible, candidates that answer the question fully with technical explanations such as excess demand or supply deficient will be rewarded. Finally a number of answers were theoretical in nature and would have benefited from some appreciation of why a drought would decrease supply in a agricultural setting.
- (c)**
- (i)** was a difficult question that required candidates to understand both exchange rates and public sector debt issued in a foreign currency. The strongest answers indicated a good understanding of exchange rates, again showing the process by which they work before then linking it to the cost of the public sector debt. The strongest answers then explained how the decrease in one, increased the cost of the other.
  - (ii)** main differentiator was a candidates understanding of hot money and capital inflows/outflows. The strongest answers ensured they linked the interest rate change to this effectively by explaining the process by which it should have had an impact before then using the information that outlined the economic situation that Argentina was in at the time that led to that supposed linkage to not occur or even reverse. A strong understanding of exchange rate theory was an aid to candidates for this question.
- Q.2 (d)** was a question where candidates showed they understood why a government would decrease spending but found it difficult to effectively link it to the data provided on the budget deficit and national debt data in the timelines following the decision being made. There was also a lack of understanding of the benefits of decreasing national debt. In some cases candidates digressed to increasing taxation and general fiscal policy answers, not focusing on the question set.
- (e)** allowed a wide range of possible answers from that of supply decreasing as potential workers opted out of the about market, to more demand as firms wish to employ more workers as it would be easier to downsize later. In the majority of cases candidates used the supply and demand of labour correctly. However, at times their explanations became confused with firms supplying labour and workers demanding jobs. At other times the explanations did not link effectively to the diagram presented.

Diagrams are there to support the argument and so should be a visual aid to the argument presented, not drawn first and then left alone or separate from the rest of the argument. A large proportion of candidates did not provide a counter viewpoint on whether wages would change.

- (f) appeared to be a challenge for some candidates which found it difficult to decide which price control method would be best to use in the context of this question and case study. The intention was for candidates to use max price but some candidates attempted to use min pricing to control inflation. Either could be credited with a diagram if the explanation of why and how, made economic sense. The strongest answers drew a max price diagram linked to an argument on decreasing the price of a small range of goods in the basket as measured for inflation purposes before then debating and judging the extent it was likely to be successful.

A few candidates drew a AD/AS diagram which was not the instruction in the question that indicated a micro demand and supply diagram was required. One area of note is that this question took a government intervention taught in microeconomics and linked it to a macro-economic outcome. This appeared to challenge some candidates. As such candidates should be aware that the exam papers are synoptic, which means there can be micro, macro, international specific questions but also potentially synoptic questions at times.

## Supporting you

### Useful contacts and links

Our friendly subject team are on hand to support you between 8.30am and 5.30pm, Monday to Friday.

Tel: 029 2240 4260

Email: [economics@eduqas.co.uk](mailto:economics@eduqas.co.uk)

Qualification webpage: [https://www.eduqas.co.uk/qualifications/economics-as-a-level/#tab\\_keydocuments](https://www.eduqas.co.uk/qualifications/economics-as-a-level/#tab_keydocuments)

See other useful contacts here: [Useful Contacts | Eduqas](#)

### CPD Training / Professional Learning

Access our popular, free online CPD/PL courses to receive exam feedback and put questions to our subject team, and attend one of our face-to-face events, focused on enhancing teaching and learning, providing practical classroom ideas and developing understanding of marking and assessment.

Please find details for all our courses here: <https://www.eduqas.co.uk/home/professional-learning/>

### Regional Rep Team

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<sup>i</sup> *Please note that where overall performance on a question/question part was considered good, with no particular areas to highlight, these questions have not been included in the report.*