GCE A Level Examiners' Report

Economics
A Level
Summer 2024

Introduction

Our Principal examiners' report provides valuable feedback on the recent assessment series. It has been written by our Principal Examiners and Principal Moderators after the completion of marking and moderation, and details how candidates have performed in each component.

This report opens with a 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 then looks in detail at each unit, pinpointing aspects that proved challenging to some candidates and suggesting some reasons as to why that might be.[1]

The information found in this report provides valuable 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 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.	https://www.eduqas.co.uk/home/professional-learning/
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 12 months after the examination.	Portal by WJEC or on the Eduqas subject page
Grade boundary information	Grade boundaries are the minimum number of marks needed to achieve each grade. For linear specifications, a single grade is awarded for the subject, rather than for each component that contributes towards the overall grade. Grade boundaries are published on results day.	For unitised specifications click here: Results and Grade Boundaries and PRS (eduqas.co.uk)

---

[1] *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.*

Exam Results Analysis	Eduqas provides information to examination centres via the WJEC Portal. This is restricted to centre staff only. Access is granted to centre staff by the Examinations Officer at the centre.	Portal by WJEC
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.	https://resources.eduqas.co.uk/
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.	Portal by WJEC or on the Eduqas subject page.
Become an examiner with WJEC.	We are always looking to recruit new examiners or moderators. These opportunities can provide you with valuable insight into the assessment process, enhance your skill set, increase your understanding of your subject and inform your teaching.	Become an Examiner | Eduqas

Contents

Executive Summary

On balance the three examination papers for this series were of similar demand to that of previous series. As is always the case, some questions were more demanding than in previous series, whereas others were less so.
Candidates need to have a knowledge of the entire specification and centres are reminded to include all areas from the third column, additional guidance notes, in their teaching.

Generally, data was incorporated well into responses. Candidates need to ensure that their use of data is meaningful, relevant and that it adds value to any points being made. Where more than one piece of data is given, the best responses cross relate information between the different data and the text.

When diagrams are drawn, they should be referenced, and any explanations need to be embedded into the response. Some candidates use them as an addition and not as an integral part of their answer. Diagrams need to be labelled; this includes the axes. Too often diagrams lacked labels or were incorrectly labelled.

Many candidates failed to maximise their marks due to not reading the question properly. Some wrote extensively but answered a different question from the one that was being asked.

Evaluation continues to be an area that requires improvement. A weighted judgement is required to achieve top marks AO4.

Once again poor handwriting was raised as an issue. For component one, the answer lines given for section B do not have to be filled. The quality of the written work is far more important than the quantity.

Areas for improvement	Classroom resources	Brief description of resource
Game theory	TEXTBOOKS	
Price elasticity of demand	DEMAND	Resource on website

ECONOMICS

GCE A level

Summer 2024

COMPONENT 1
ECONOMIC PRINCIPLES

Overview of the Component

The 2024 paper provided a good test of what candidates know, understand and can do in this subject. Given that the paper, rather like the other two components is synoptic and with every question compulsory it provided a challenge which many candidates rose to successfully. However, some candidates either did not revise or did not understand certain topic areas – price elasticity of demand question (Q19) and game theory (Q23) were two examples. Candidates did not appear to be short of time and completed the paper successfully. Diagrams were often used well to support the higher mark answers in Section B. It is worth reminding candidates that the space given in the answer book to complete Section B does not HAVE to be filled and that quality matters more than quantity.

Section A tested AO1 and AO2 while questions in Section B potentially tested all four assessment objectives. Indeed, in Section B on the higher mark questions the top AO4 band could only accessed by including an overall judgement. Some candidates continue to frustrate examiners by very poor handwriting and presentation. This exam paper is now marked online, and such issues now make it even more difficult for examiners to read answers.

Comments on individual questions/sections

Comments on Section A.

In Section A, a minority of candidates continue to indicate their answer in a different way to that given in the instructions. Each multiple choice question is still marked individually by examiners who have to use their discretion when candidates indicate their answer in a way that fails to use the box given. In addition, a few candidates leave some multiple choice questions unanswered which guarantees they score zero.

The mean mark on the multiple choice section was 12 compared to 10.6 last year. The three questions that posed most difficulty for candidates were Q15, Q19 and Q20. Candidates found Q19 very challenging, showing their lack of a clear understanding as to how the price elasticity of demand for a product changes along the length of any straight line demand curve.

Comments on Section B.

Q.21 Many candidates failed to develop a strong chain of reasoning in their explanation of exactly **how** a rise in bond purchases by the Bank of England led to a fall in yields. Also some candidates were not clear as to what quantitative easing was designed to achieve. Nonetheless there were some very good answers to this question despite it having the lowest mean mark as a % of the total mark on the paper.
The mean mark was 1.8 on this question.

Q.22 The diagram in this question would be unfamiliar for most candidates- showing both a potential welfare gain and a welfare loss. However, good answers to this question used the diagram well to support both sides of their answer. The majority used their knowledge of merit goods to justify the view than health care should be provided free at point of consumption. A range of points were accepted as evaluation i.e. overcrowded hospitals, long waiting lists and the opinion that free health care was unaffordable with an ageing population. To reach band 3 AO4 an overall judgement was required, and this eluded most candidates. A possible approach for band 3 could have been that the data given could not possibly answer the question as it was based on pure theory and does not reflect the real world of health provision.

The mean mark was 3.8 on this question.

Q.23 This question was a challenge for many candidates, and it was the question most likely not to be attempted on the paper. This suggests that some candidates either do not understand game theory or had not revised it thoroughly. The vast majority of candidates were able to identify where the Nash Equilibrium was on the matrix. However, those who were able to explain clearly how Firm A and Firm B arrived at the Nash Equilibrium were relatively few in number.

The mean mark was 2.1 on this question.

Q.24 Candidates were expected to use both diagrams to support their answer. Sometimes this was not in evidence but nonetheless there were some good responses to a question which was based on a core macroeconomics topic. Good candidates used their knowledge of the UK experience in recent years – blaming the high inflation on cost push factors which arguably higher interest rates have less impact on. However, some candidates had a rather shaky understanding of negative wealth effects. Unfortunately, few candidates were able to access the band 3 AO4 mark which required an overall judgement. A good example of such a judgment could have been that the success of reducing inflation to target level depends on the skills of decision makers (the MPC), the accuracy of forecasting systems and the avoidance of an unpredictable event that throws policy off track.

The mean mark was 4.3 on this question.

Q.25 Many answers to this question were rather too descriptive – quoting the data but not interpreting it in relation to development. Good answers were able to show how for example a higher mean years of schooling might bring benefits such as better employment opportunities, higher real wages and thus increased development. Some candidates made good use of the two maps concluding that Gabon would develop quicker because the country was located on the Atlantic and able to benefit from strong trade links. Conversely, Tajikistan being landlocked and more remote might find connectivity more difficult – impeding development. Band 3 AO4 could be accessed by arguing that the HDI data needed to be supplemented by other information to enable the question to be more effectively answered e.g. inequality data, the purchasing power of the median wage etc.

The mean mark was 4.5 on this question.

Q,26 This question was more accessible in many ways than those which preceded it. There was good demand and supply analysis in most answers although a minority tried, with mixed success, to build their answer around one diagram rather than the two which were expected. The data was often used well to explain shifts in demand and supply curves and to argue different future trends in copper prices. A good number of candidates accessed the AO4 band 3 mark by saying that the fall in copper prices due a recession was possibly only a short term trend because in the long term the rise in demand for electric vehicles and solar panels would increase the price of copper.

The mean mark was 4.8 on this question.

ECONOMICS

GCE A level

Summer 2024

**COMPONENT 2
EXPLORING ECONOMIC BEHAVIOUR**

Overview of the Component

Component 2 tests that ability of candidates to apply economic theory to situations with which they are not completely familiar. This requires candidates to be able to synthesise information from text and charts, apply the theory that they have learned and generally to construct well-reasoned arguments about the way in which economic theory might or might not give good insights into the information presented.

The 2024 paper had two very different data responses. The first presented most of its information in the form of a series of charts, testing candidates' ability to process and interpret numerical information from graphical forms. To make sure the charts were large enough to be properly read, this meant that the data appeared quite long, although timing wasn't an issue for the vast majority of candidates. This first data invited candidates to look at the levelling up agenda of the then conservative government and assess aspects of it through the lens of economic theory. On this question, candidates did tend to use the data, but it was the best responses that genuinely cross-related information between the text and the charts or from one chart to another – hence the strongest responses were able to look at the information provided in close detail, but also retain a sense of the big picture. This is a skill that is developed by regular exposure to economic writing, so that the data can be read as it was intended – a story that paints a picture rather than a set of isolated set pieces of data.

The second data response was closely focused on monopolistic competition and was quite technical in its demands. As a result, candidates tended to score slightly lower on this question than the first one. In the levelling up question, there was so much data that everyone could find something, whereas in the monopolistic question, the data had to be used a little more creatively. When combined with the more technical nature of the material this meant that the mean mark on the second data was just under 21 compared with a mean of around 23 on the first.

Comments on individual questions/sections

Q.11   A number of candidates confused production with productivity, which was mark limiting although not completely fatal. The vast majority of answers were able to use at least some of the information from the charts and the best answers scored 5 effortlessly by seeing how different patterns of spending on R&D, higher education and transport infrastructure might easily give at least some of the answer to productivity differences by area, making a close well-explained link between the two.

Q.12   The best candidates understood that regional income inequality was a problem and were able to link their answers specifically to the UK's regional divide. Most responses were able to show some understanding of why income inequality was a problem, looking at differences in life expectancy, but only the best answers were able to explain fully why the government would want to do something about the problems identified.

Q.13   Most answers were able to identify elements of the plan for growth and to begin to discuss them. Having reached this baseline, approaches then diverged wildly. Lower scoring responses tended to take a single aspect of the plan – generally the first bullet about infrastructure spending – and then draw some AD/AS diagrams. Whilst this generated marks, it tended to lead candidates down an unemployment/inflation path which then meant that they end up not focusing on the regional income inequalities aspect of the question. By contrast, the best responses looked in detail at particular parts of the plan and evaluated the for what they were – hence, rather than 'supply side policies all take a long time', the better responses would look at the 'support for innovative businesses' and think about the idea that such businesses would often be based in high productivity southern cities and would therefore do little to solve either inter or intra-regional inequality issues. As is often the case with data response papers, those candidates that had 'learned' a response to different areas of the course often then lacked the flexibility needed to respond to the particular requirements of an unfamiliar scenario and scored less well than they might have hoped.

Q.14   This was a question which was generally reasonably well answered. Again, most candidates got off to a good start by beginning to think about the costs and benefits of free trade and made the point that the CPTPP is a very large trade area. The better answers then started to cross-relate information from other parts of the data to assess whether or not the UK would really benefit. Hence, information that had been used on the inequality and productivity questions was recycled to think about whether trading more freely with these economies, given the nature of the deal itself, was genuinely likely to be beneficial to the UK. Again, pre-learned responses got some way, but it was responses that then used the theoretical points to tease out nuance from the data who scored particularly highly on this question.

Q.15   This question on exchange rates was one of the lowest scoring on the paper, which was initially a little surprising, given that it is a commonly assessed area, and one which candidates are therefore well prepared for. On reflection, however, it is this question that most closely demonstrates what data response papers are really testing and the ways in which some approaches can be very limiting. A large number of responses went through a 'spiced' based approach in which they outlined how a weak pound might create growth, cause inflation and improve the current account before embarking on a long exposition of the Marshall Lerner condition and the J curve effect. Often these answers scored zero for AO2 because the question wasn't asking about this. It was asking about the impact of a weak pound on living standards in low-income areas. Consequently, the best answers made no reference to the Marshall-Lerner condition or the J curve effect – they simply thought about whether a weak pound would or wouldn't exacerbate living standards issues in low-income areas, particularly in the context of the decision to join the CPTPP and the levelling up agenda. In other words, they used what they understood about exchange rates to answer the question set. This question had the highest standard deviation of the 3 ten-mark questions on the data response 1, even though it had the lowest mean, highlighting the divide between higher and lower quality answers on this question in particular.

Q.21   This was a relatively straightforward question, but a surprising minority of candidates simply quote out the characteristics of monopolistic competition without making any reference to the data. More usually, however, the data was well used with the very best responses using information on both restaurants and hairdressing rather than focusing solely on the former.

Q.22 This question discriminated very well between candidates, having the highest relative standard deviation on the paper. The best answers understood very clearly *why* profits are maximised at the output at which MC=MR and were able to explain it. Weaker responses had learned that MC=MR was the profit maximising output but could do little with it. The most common error was to look at MC and MR in units of 10 rather than then dividing by 10 to get the marginal by unit, but this incurred only a minor penalty.

Q.23 This was another question that discriminated well. A good number of candidates did understand that both variable costs and demand would rise and were able to draw effective diagrams to illustrate this. The data was quite easy to use on both sides and the best answers were able to use the context of restaurants to genuinely think about whether using Deliveroo was a good idea (e.g. whether opting to use Deliveroo might cannibalise their in-house sales) – to combine their understanding of the world with their understanding of underlying microeconomic theory.

Q.24 There were heavy hints provided in the data about fixed and variable costs and most candidates picked up on this. Understanding of normal profit was less good in terms of demonstrating why in the long run it is the key to remaining in an industry. Hence there were some good answers explaining why 'loss making' firms should stay open, but most answers struggled to explain why making sub-normal profits would cause a firm to leave.

Q.25 Much like question 15, this was a question where case use was weak. The reason was that candidates found it hard to apply concepts like allocative inefficiency to the real world. They knew where it was on a diagram and could identify welfare loss, but had less sense of what it meant in the context of real-world business behaviour. The best answers were able to use examples to illustrate their arguments, for example how product differentiation in restaurants via the use of Deliveroo would mean that consumer needs were more closely met, reducing the reduction of economic welfare that might otherwise have been present.

ECONOMICS

GCE A level

Summer 2024

COMPONENT 3
EVALUATING ECONOMIC MODELS AND POLICIES

Overview of the Component

Component 3 has three key features which distinguish it from the other two papers. Firstly, candidates have some choice, secondly there is a set predictable structure year after year and finally there are no marks for application (AO2). Each of these has implications which the strongest candidates use to their advantage.

In terms of choice, the most popular questions were 2, 4 and 6 but it is essential that the demands of **both** parts of the question are fully understood before considering which to attempt. This year, a high proportion of question 32 were answered by students who did not appear to fully understand the concept of the NAIRU.

In terms of structure, candidates know what they need to do on each part of the question because the AOs are always the same. Part (a) has only AO1 and AO3. There is never a need for candidates to evaluate, but a sizable minority always does so, and this year was no exception. All six of the part (a)s used the word 'explain'. Whilst there are no marks lost for evaluating, none are gained. Stronger answers therefore focus on explaining in depth on part (a), generally making sure that they pick up the AO3 marks (for analysis) by developing ideas and clearly linking back to the question itself; it is generally weak AO3 that prevents answers from getting top marks on part (a). Few students produced a clear plan at the start of their answers, which clearly may have helped with their overall structure.

By contrast, all part (b)s always require evaluation, which is the single most important assessment criteria, and the vast majority of candidates were aware of this, and their answers were generally well rewarded. The strongest answers were well balanced and showed a willingness to build a sustained argument before evaluating and developing some ideas in depth. The strongest answers also made time for a reflective conclusion that gave a direct but qualified answer to the question explaining, for example, what the answer might depend on such as the short or long run and under what circumstances one side of the debate might dominate and why. The stronger candidates usually demonstrated evaluation skills throughout their answers and not just at the end.

The third distinctive element (the absence of AO2 – application marks) reinforces the need for sustained argument. The majority of the marks on any given question are for developed argument or counterargument/evaluation. Hence, the strongest answers had lengthy sustained support of the arguments that they were trying to advance, and they were able to do this at speed, suggesting that their revision had focused on building arguments in addition to learning key points and diagrams.

The use of graphs could have been improved as many were small and difficult to read. In a small number of cases no reference was made to the diagrams in the body of the answer and could not therefore be credited. Many were not well-labelled and there were a large number of micro/macro hybrids. A small number of answers to the 20-mark questions began with a diagram, often meaning that the diagram dominated the argument as opposed to supporting it.

A small number of scripts did not include a single diagram apart from where they were required (in questions 31 and 51). This was a shame as appropriately used diagrams can reduce the amount of writing required.

A very small number of candidates appeared to run out of time on the questions in Section C, but the vast majority demonstrated good time management skills. All questions appeared to be accessible with the mean ranging from 5.0 to 5.7 on the 10-mark questions and from 9.9 to 11.7 on the 20-mark questions. Good differentiation was achieved across all questions with several candidates scoring full marks on individual parts.

Comments on individual questions/sections

Section A

Q.11   It was evident that a number of students seemed to think that labour market flexibility entailed little more than the ability of a worker to change jobs. Some candidates misdrew the minimum wage diagram by drawing it below the equilibrium point. Mean mark of 5.

Q.12   This was generally quite well answered with a mean mark of 11.7, the highest of the 20-mark questions. The better candidates addressed the issue of a cut to the NMW and NLW as to how much it would be reduced and for who would it be economically desirable. At the lower end of the mark spectrum some candidates seemed to refer to a change in the NMW as opposed to a cut and some confused the national living wage with inflation.

Q.21   Generally, an accessible question. More candidates seemed to use the kinked demand curve to explain the situation than game theory. Some candidates also confused collusion with mergers with several referring to the CMA's refusal of the proposed one between Sainsburys and Asda. Candidates were generally capped at Band 2 AO1, if they did not look beyond pricing decisions. A small number of candidates defined oligopolies as opposed to collusion. Mean mark of 5.6.

Q.22   This was generally accessible, but little focus was given as to who the structure would be desirable for such as the firms and the customers. Credit was given to any viable response. At the weaker end, answers relied heavily on the kinked demand curve, seeming to thing that this was **the** oligopoly diagram. This often led to lengthy digressions into price stability which wasn't central to the question. There was a little recycling of the content used in question 21. There were some effective comparisons with other market structures, such as monopolies and perfect competition. Mean mark 11.3

Section B

Q.31   The circular flow diagrams were drawn in many different ways with varied levels of success. Some had key omissions such as T or G whilst others missed out key flows between firms and households. Having said that some were very well drawn. Sometimes the explanations were better than the diagrams and inevitably the reverse was also true. Mean mark 5.7

Q.32.   This clearly proved to be a difficult question and was the only question on the paper with a mean of less than half marks [9.9], although the standard deviation was much higher than that of the other part 2s.
Whilst this can be partly explained by the question's relative unpopularity, it is also true that the question tended to be done very well or very badly. Most candidates made quite extensive use of graphs, but a number did not fully understand the NAIRU or provide an effective Keynesian counterargument.

Q.41   Generally well answered, but a small number clearly confused deflation with devaluation and consequently scored no marks. Some more confused it with disinflation. Some provided strange answers, such as reducing interest rates should lead to an appreciation of sterling. One cited subsiding childcare. Credit was given when valid arguments were made. For example, some cited using supply-side measures which would normally be associated with reducing inflation, but these were credited if there was clear reference to a clear injection into the circular flow to boost AD. A handful of micro graphs were drawn. Mean mark 5.4

Q.42   There were some strong answers to this question, looking at both demand side and supply side deflation as the main analytical approach. Those who had struggled with deflation in part (1) inevitably tended to fare badly here, another reminder of the importance of choice on this paper. Many answers made good use of diagrams but high AO4 tended to be out of reach for many who simply summed up with a demand deflation bad, supply side deflation good without really considering the extent to which this is necessarily true. Mean mark 10.7.

Section C

Q.51   Relatively few candidates achieved full marks for the diagram as many did not either identify the increase in producer surplus or that in governmental revenue. A small number just drew a basic demand/ supply graph. A limited number identified one of the triangles representing a welfare gain. A small number labelled the world price above the equilibrium point, whilst others mis-labelled components on the graph. Some confused the impact on consumer and producer surplus. Mean mark 5.9.

Q.52   Some candidates re-cycled the diagram from the previous question. Few made any detailed reference to the UK economy. A small number brought in irrelevant concepts such as the Phillips' curve. At the top end of the mark range, candidates considered who would benefit in the UK such as businesses, the government, and consumers showing an impressive awareness of the structure of the UK economy and the challenges that it is facing at the present time. Mean mark 11.6.

Q.61   A variety of different approaches were used for this question. Some simply looked at the birth rate whilst others at immigration. Some candidates looked at short-run, others medium and some the long-run, all clearly with very different effects. A number of candidates focused on economic growth, not development, whilst some others produced largely commonsensical answers with little, if any inclusion of key underlying economic theory. Elsewhere a small number also looked at the benefits of rapid population growth, so could not be credited for that section of their answer. There were some very brief answers, suggesting that candidates may have been clock-watching and wanted to ensure they made a reasonable attempt at 62. Mean mark 5.9.

Q.62   Generally, an accessible question for candidates. Perhaps surprisingly, the majority of candidates seemed to think that economies should prioritise spending in areas other than education. Several candidates made effective use of the impact of education spending on the South Korean economy. The stronger questions evaluated the significance of both how much it increases and where it is spent. As with the previous question some contrasted the effects in the long-run with the short-term effects, with investment in early years clearly potentially having a huge time lag. Better candidates questioned whether there would be enough human capital such as qualified teachers to support high levels of spending on the physical infrastructure. Some candidates only referred to economic growth, which clearly impacted on their final mark. Some had no conclusion, but they may have simply run out of time. Mean mark 10.2.

Supporting you

Useful contacts and links

Our friendly subject team is on hand to support you between 8.30am and 5.00pm, Monday to Friday.
Tel: 029 22 404 560
Email: economics@eduqas.co.uk
Qualification webpage: AS/A Level Economics

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

Our regional team covers all areas of England and can provide face-to-face and online advice at a time which is convenient to you.

Get in contact today and discover how our team can support you and your students.
Regional Support Team | Eduqas

Eduqas Qualifications

We are one the largest providers of qualifications for schools, academies, sixth form and further education colleges across England, offering valued qualifications to suit a range of abilities. Each and every one of our qualifications is carefully designed to engage students and to equip them for the next stage of their lives.

We support our education communities by providing trusted qualifications and specialist support, to allow our students the opportunity to reach their full potential.