

Examiners' Report Summer 2007

GCE

GCE O Level Economics (7120)

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There are some centres which are producing candidates of a very high calibre. This can be seen from the examples contained in this report. Teachers in these establishments have used previous reports and addressed the common mistakes identified within them.

Once again the examination has highlighted problems which centres should consider when delivering the subject to their students in order to improve their performance. It is imperative that teachers study this report as there are serious issues with some of the responses.

Improvement can be attained if candidates,

- Keep answers brief when the instruction is 'identify'. E.g. 1(a) "Identify one leakage from the circular flow of income." (1 mark)
- Remember to include an example or a diagram if the question asks for it.
- Understand that the instruction, "explain" requires some development and look at the marks allocated to gain some indication of how much development is required.
- Understand that the instruction, "to what extent" requires candidates to offer a judgement which implies that there may be more than one outcome.
- Read the questions carefully and understand the difference between "causes" and "effects".

Centres must ensure that when candidates continue a question at the bottom of a page or on another page or separate sheet they should indicate where the continuation of the question can be found.

It is hoped that the following comments and examples will be of use to centres in their delivery of the specification.

Section A

Question 1

(a) Few problems as candidates seemed familiar with the concept of the circular flow of income.

Question 2

Candidates should realise that data at the beginning of questions should be studied. In (a) candidates correctly identified a consumer good and capital good. However, in (b) and (c)(i) the data in Figure 1 was ignored and so answers were incorrect. In part (c)(ii) candidates gave a variety of ways in which a government can achieve economic growth.

Question 3

This question produced some of the weakest answers. Localisation is a topic which is clearly not covered by most centres. Not only were there many incorrect answers but this question produced the most blank responses.

(a) This required a simple definition and an example. Confusion with the term 'location' and 'localisation' is understandable but examiners are still wondering why many candidates defined 'privatisation' instead of 'localisation'. Another common mistake occurred as candidates defined it as "*industries located in the same area*" instead of firms.

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