

National Certificate of Educational Achievement

2012 Assessment Report

Economics Level 2

- 91222 Analyse inflation using economic concepts and models**
- 91223 Analyse international trade using economic concepts and models**
- 91224 Analyse economic growth using economic concepts and models**

COMMENTARY

Candidates on the whole performed well and top students effectively completed the compare and contrast questions. The vast majority of candidates completed all of the questions.

At Level 2, Achievement requires candidates to provide an explanation; candidates have to give a reason for their answer. Achievement with Merit requires detailed explanations; candidates have to either provide more than one reason and/or add depth to their answer by providing a reason which links the main cause to the main result. E.g. a depreciation improves the current account because it makes exports more price competitive and imports less price competitive which increases net exports. Achievement with Excellence requires candidates to compare and contrast causes of changes and impacts of changes in inflation, trade or growth. Candidates are expected to specifically refer to BOTH events in their answers and also integrate relevant economic models into their answer by referring to changes they have made to graphs.

Candidates who did not achieve the standard commonly misinterpreted questions or failed to answer the main point of the question e.g. not referring to whether each group will be worse or better off when explaining the impact of a change in trade. These candidates often had incomplete and/or inaccurately labeled graphs.

While many candidates made use of the extra paper provided, it should be noted that the space provided for each question is sufficient for detailed explanations that meet the requirements for Excellence.

STANDARD REPORTS

91222 Analyse inflation using economic concepts and models

ACHIEVEMENT

Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They typically:

- defined key inflation terms
- illustrated the effects of changes in aggregate demand (AD) and aggregate supply (AS)
- correctly labelled changes in AS and AD curves
- explained how economic events caused cost push and demand pull inflation
- identified and explained the effect of reduced inflation on various groups.

NOT ACHIEVED

Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They typically:

- provided inadequate or inaccurate explanations
- labelled the AS/AD model incorrectly or incompletely
- failed to attempt all parts of a question
- incorrectly defined key inflation terms.

ACHIEVEMENT WITH MERIT

In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit typically:

- gave detailed explanations for cost push and demand pull inflation
- referred to economic models in their explanations
- provided detailed explanation of the effects of reduced inflation on various groups.

ACHIEVEMENT WITH EXCELLENCE

In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence typically:

- compared and contrasted causes of changes to inflation
- integrated economic models into detailed explanations
- fully explained the link between causes and effects
- demonstrated a thorough understanding of economic models related to inflation
- compared and contrasted the effects of reduced inflation on various groups.

91223 Analyse international trade using economic concepts and models

ACHIEVEMENT

Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They typically:

- identified main ideas without elaborating or adding detail to their answer
- recalled basic facts related to trade
- accurately illustrated and fully labelled changes in trade, on supply and demand graphs
- identified a main effect of changes in trade on various groups, with one valid reason for the change.

NOT ACHIEVED

Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They typically:

- did not label graphs correctly or failed to fully label graphs
- could not recall basic facts related to trade
- used incorrect, inappropriate and/or outdated economic terms
- wrote answers which did not address the question.

ACHIEVEMENT WITH MERIT

In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit typically:

- used correct economic terms when giving reasons for their answers
- provided detailed explanations by linking two ideas to explain the main result
- linked their answer to the resource material where appropriate
- provided detailed explanations of the effects of changes in the world price and the exchange rate on exports, imports and various groups.

ACHIEVEMENT WITH EXCELLENCE

In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence typically:

- referred to BOTH events when comparing and contrasting
- consistently linked economic ideas accurately, using correct economic terminology in their answers
- explained in detail the impacts of changes in trade on all of the relevant groups
- referred to the relevant graphs and models in their written answers.

91224 Analyse economic growth using economic concepts and models

ACHIEVEMENT

Candidates who were awarded Achievement for this standard demonstrated the required skills and knowledge. They typically:

- showed the effect of a change in growth on an economic model and labelled the change correctly
- identified costs and benefits of a decrease in economic growth on households, businesses and the Government
- linked changes in growth to a component of aggregate demand.

NOT ACHIEVED

Candidates who were assessed as Not Achieved for this standard lacked some or all of the skills and knowledge required for the award of Achievement. They typically:

- misread questions and made an incorrect shift of the PPF and/or the AD/AS curves
- did not label curves correctly
- could not link a cause of changes to growth to changes in output
- did not use correct economic terminology in their explanations.

ACHIEVEMENT WITH MERIT

In addition to the skills and knowledge required for the award of Achievement, candidates who were awarded Achievement with Merit typically:

- explained changes in detail
- linked explanations to the PPF and AD/AS models
- provided detailed explanations of costs and benefits of a decrease in economic growth on households
- provided detailed explanations of how the changes to households impacted on businesses and government or the future.

ACHIEVEMENT WITH EXCELLENCE

In addition to the skills and knowledge required for the award of Achievement with Merit, candidates who were awarded Achievement with Excellence typically:

- provided detailed explanation of costs and benefits of a decrease in economic growth on households and their impact on businesses and government

- provided detailed explanation of how future growth would be impacted
- compared and contrasted changes in AD for their effect on economic growth
- integrated changes shown on the PPF and AD/AS models into explanations.