



Questions matter



AS

Economics

7135/2

Report on the Examination

7135

June 2024

Version: 1.0

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General

Overall, 902 students sat the paper. This is a small reduction from 962 students in 2023.

There was an uneven split between the two context questions with approximately 72% of students opting for Context 1 and 28% opting for Context 2. On average, students performed better on Context 1 than Context 2.

This may be because the ‘troubling times for the UK economy’ context and the related 10 mark and 25-mark questions were more familiar to students given the economic climate. Therefore, ‘troubling times for the UK economy’ was seen as a more accessible context than ‘the levelling up agenda.’

The overall level of responses suggests that students lack the precision required to precisely define key terms, nearly 64% of students did not achieve full marks in the first definition question and over 94% of students did not achieve full marks in the second definition question. A definition is required rather than a formula, example, or detailed explanation of the term, with many students writing several sentences to acquire marks when more clarity is required.

Many find the calculation questions difficult because they struggle to understand the demands of the question. Both questions were answered relatively well with 54% of students achieving full marks.

At least 15% of the marks at AS Level depend on a student’s ability to demonstrate quantitative skills. When asked to perform a calculation, students would be well advised to show their working as part-marks were awarded for the correct method even if the final answer is incorrect.

Whilst many students are well prepared for the significant features questions, it is hoped that centres also spend time with students looking closely at and understanding the whole range of features that might be present. They should be told to include one significant feature in each space provided in the question paper.

Students would benefit from being provided with as many opportunities as possible to demonstrate a better understanding of economics in a wide variety of real-world situations. This could be through discussion as well as by way of written responses to questions set by the teacher. Embedding logical chains of reasoning into the analysis, using the full economist’s toolkit when referencing real world contexts is crucial.

Many students made extensive use of diagrams in their answers. However, some of these diagrams were not explicitly referred to analysis or were inaccurate or not labelled correctly; students should be aware that credit is unlikely to be given for a poor diagram. Where appropriate, the use of suitable, fully labelled diagrams should be encouraged. However, they should only include a diagram when it is relevant to the question and adds value to the response.

Selective use of the extracts should also be encouraged. The extracts are there to help the student respond to the questions and can be used to help support judgements. When answering the last part of each context, the quality of the evaluation is a key determinant of the mark awarded. Good quality evaluation requires that judgements are supported by sound analysis and/or evidence. The evidence used to support judgements may be qualitative or quantitative. Some evidence is included in the extracts, but it must be used appropriately. Combining evidence from different extracts is one way of strengthening the quality of evaluation. Sound, fully developed analysis should be an essential element

of students' responses to the last two parts of each context question. In the last part, good analysis is the foundation for good evaluation; they go together. Some of the lower scoring answers to the last part of Context 2, used the extracts extensively but the underlying economic analysis was missing, or in some cases non-existent.

More able evaluated as they worked their way through their answers to the last part of the context questions but only the very best students provided a convincing, well-developed, supported conclusion. It is a difficult skill that students need to practise. The teacher could provide their students with a good answer to a question which has had the conclusion removed. Students could then be asked to write their own conclusion to help them develop the skill of producing a supported final judgement.

Context 1: TROUBLING TIMES FOR THE UK ECONOMY

Question 21

Many students were unable to provide a full and precise definition of 'Regressive taxes.' The substantive content of the definition was correct but there was some imprecision or inaccuracy. 38% of students did not gain a mark.

The mean score for this question was 1.49.

Question 22

Many students found this question accessible. 52% of students gained full marks. Centres should be reminded to teach students to read the question carefully. 22% of students did not calculate a monthly amount, leaving the answer as the interest paid per year.

The mean score for this question was 2.70.

Question 23

The important principle for this question is that students need to identify and clearly state two significant points of comparison between inflation and the growth in weekly earnings over the period shown. The significant point of comparison must be supported by accurate use of the data. Clearly most students have been taught a technique for this question. This allowed many to achieve full marks by comparing the lowest inflation rate over the period shown compared to the lowest growth in average weekly real earnings as one point and then the highest inflation rate over the period shown compared to the highest growth in average weekly real earnings as the second significant point of comparison. Many students included the highest and lowest point together as just one feature, which was awarded 1 mark for being a significant point of comparison.

The mean score for this question was 2.31.

Question 24

Most students were able to complete a basic AD/AS diagram. 90% of students scored at least one mark for the set-up of an accurately drawn diagram. Over 33% of students shifted the SRAS curve inwards and scored full marks.

The mean score for this question was 2.79

Question 25

This question is marked using a level of response mark scheme that assesses knowledge and understanding, application and analysis. When awarding the mark, a judgement is made regarding the overall quality of the response.

Compared to the equivalent question about structural unemployment, responses to this question were higher scoring, with the mean score just above 5 marks and in mid-Level 2. Nearly 39% of students achieved a Level 3 mark on this question.

Many students developed clear, logical chains of reasoning to explain how an increase in the Bank Rate may lead to a reduction in the rate of inflation. Most explained ‘demand-side factors’ such as the impact on savings, consumption, investment, and the exchange rate. A minority of higher scoring students addressed ‘supply-side’ factors.

Many Level 2 responses did not adequately develop the analysis and/or failed to include reasonable application of economic principles or really made use of the data. Lower scoring responses did not develop their response beyond a basic description of the factor.

More able students generally started their answers by defining Bank Rate and inflation and then demonstrated how an increase in Bank Rate would impact inflation. Good application was demonstrated by drawing on information provided in the extracts. The most able students went on to develop analysis which blended sound economic reasoning and the given context.

It was not necessary to include a diagram to achieve full marks for this question, but students should appreciate that, where appropriate, the use of a diagram can be useful in supporting their analysis. Many did include a diagram, and this gave them an opportunity to show the impact on the factor on the price level. Diagrams are an important part of an economist’s toolkit, and it is up to the student to decide when and how they might be usefully employed.

The mean score for this question was 5.53.

Question 26

This question was answered rather better than question 32, with the mean score around 14 marks. Around 11% of students achieved a Level 5 response. However, around 25% of students still scored 10 marks or less.

Many students used the extracts in their response, but some did little more than extract the data and make simple statements rather than use the data to support arguments and judgements. Many students only used the information in the extracts to provide a generic argument to the policies needed to recover from a recession. Therefore, they focused on long run policies rather than short run policies.

When students recognised the relevance of the economic climate (a recession), they could develop more sophisticated evaluation. Some students were able to contextualise their answer using recent growth statistics and this enabled their evaluation to be more specific and focused and less generic. Many students used diagrams to support the analysis and added value through this process.

The mean score for this question was 13.55.

Context 2: THE LEVELLING UP AGENDA**Question 27**

Many students were unable to give either a full and precise definition or give a definition where the substantive content of the definition was correct with 65% of students achieving two marks or less marks on this question. Only 6% of students achieved full marks.

Some demonstrated inaccuracy or imprecision and/or did not mention the time frame or give an accurate definition of gross domestic product. Students often understood what was meant by an ‘GDP per capita’ but were not precise enough in their responses to be awarded 3 marks for a full and precise definition.

Many students successfully defined ‘per capita’ but this was worth just 1 mark. The mean score for this question was 1.08.

Question 28

Nearly 60% of students scored full marks for this question and 33% scored one mark or less. Most students extracted accurate information from the extract, complicating the calculation. Those that scored few marks, did not know how to complete a percentage change calculation. The mean score for this question was 2.79.

Question 29

As in previous years, students adopt a well drilled technique for this type of question with the most common response to highlight in the first significant point of comparison as the highest employment rate compared with the highest inactivity rate, followed by the lowest employment rate compared with the lowest inactivity rate.

Around 46% of students achieved full marks on this question, which was pleasing, and the mean mark of 2.59 was similar to the equivalent question in Context 1 (2.31). The mean score for this question was 2.59.

Question 30

Around 29% of students achieved full marks on this question, which was disappointing. Most students were able to complete a basic AD/AS diagram. Approximately 80% of students scored at least one mark for the set-up of an accurately drawn diagram. The mean score for this question was 1.75

Question 31

It is worth re-emphasising that this question and the equivalent question 25 are assessed using a level of response mark scheme. It is the overall quality of the response that determines the mark awarded.

The mean mark for this question was 3.92, a little lower than the equivalent in Context 1. Students struggled to gain high marks in the question with just over 11% gaining a level three mark.

More able students clearly understood the meaning of structural unemployment and used the extracts to develop well-focused analysis.

Most answers were clearly rooted in the case study with discussion linked to the source material, but it was not uncommon to see students making almost no reference at all to economic concepts. Quoting extensively from the extract material without really developing the discussion was unlikely to be well rewarded.

Although diagrams were a feature of most responses, some are drawn without explicit reference to them in the analysis; many were poorly drawn and often poorly labelled. Diagrams are an important part of an economist's toolkit, and it is up to the student to decide when and how they might be usefully employed. The mean score for this question was 3.92.

Question 32

This question produced a wide range of responses and there were some very accomplished and thoughtful answers to this question, but only 2.4% of students achieved a Level 5 response. The mean score for this question was 11.69, around 2 marks lower than the equivalent question in Context 1.

The best answers started by setting the scene, highlighting the issues poorer regions in the UK experience. Students then went on to analyse and evaluate how different policies would improve the outcomes for people in the poorer regions, before then reaching an overall judgement. More able students focused on the precise demands of the question to consider whether the government should increase spending to poorer regions.

Typically, students around the mean mark raised several issues from the extracts, such as supply-side policies with the government targeting spending on education and infrastructure to tackle geographical and occupational immobility of labour but then developed this generically, without using economic terminology or analysis. The evaluation tended to be generic such as policies targeting education and training would have a long-time frame and be expensive. Few students linked the evaluation to current issues in the UK economy.

Responses that identified some of the key issues in the UK were well rewarded. Judgements that considered the best policy in the context of the UK's levelling up agenda were also well rewarded. The mean score for this question was 11.69.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the [Results Statistics](#) page of the AQA Website.