IGCSE Economics

Common Mistakes ·

Almost every lost mark here is a definition that stopped halfway, or an answer that named a thing where the question asked what causes it. Everything below is from Cambridge's own examiner reports.

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Across every paper

✗ Defining a term by rewording it – 'external costs are costs that are external'.

✓ **Say what it actually means, in different words, and give an example.**

Examiners record rewording as a common error across several definition questions; it shows nothing.

ER 3 sessions P2

✗ Naming the thing when the question asked what AFFECTS it.

✓ **Read the question again: 'factors affecting occupational mobility' means causes, not the two types of mobility.**

Examiners record candidates giving occupational and geographical mobility where the factors behind them were wanted.

ER 2 sessions P2

✗ Skipping over a word in bold.

✓ **Read the whole item, and pay close attention to anything in bold, before choosing.**

Examiners raise careful reading of each item, and bold text specifically, in three separate reports.

ER 3 sessions P1

✗ Answering a two-mark definition with a single word.

✓ **Two marks usually means a definition plus an example, or two elements of the definition.**

Examiners describe partial answers scoring 1 or 0 where the second element was missing.

ER 2 sessions P2

■ The whole syllabus is examinable, and the multiple-choice paper reaches across all of it. Examiners state this in five separate reports.

ER 5 sessions P1

1 · The basic economic problem

✗ Giving an everyday 'free' item – a free gift, a free sample – as a free good.

✓ **A free good has no opportunity cost because it is not scarce: sunlight, air.**

Examiners record confusion between the economic definition and the everyday meaning.

ER Jun24 P12

✗ Confusing enterprise with capital.

✓ **Enterprise is the factor that takes the risk and makes the decisions; capital is the equipment**

used.

Named directly: a number of candidates gave capital where enterprise was described.

$\neq$ ER 2 sessions P2

✗ Defining division of labour as 'workers dividing the work'.

✓ **Production is broken into separate tasks and each worker specialises in one of them.**

Examiners state few candidates gave a clear definition, and quote the good response as one that names the tasks.

ER Nov24 P22

2 · The allocation of resources

✗ Answering 'what makes up social costs' with something other than the two parts.

✓ **Social cost = private (internal) cost + external cost.**

Examiners note that a few candidates did not know the term and gave unrelated answers.

$=$ $+$ ER 2 sessions P2

✗ Naming an economic system incorrectly – 'capitalist' or 'communist' as the system itself.

✓ **Use the syllabus terms: market, mixed, and planned or command.**

Examiners record incorrect terms appearing in a question most candidates could otherwise answer.

ER 2 sessions P2

3 · Microeconomic decision-makers

✗ Defining average cost as 'the average of the costs'.

✓ **Average cost = total cost ÷ output.**

Examiners state only the strongest responses gave the formula, with a variety of incorrect definitions elsewhere.

$=$ $\div$ ER Jun24 P22

✗ Defining profit when the question asked about something else, or listing what profit is used for.

✓ **Answer the term that was asked about, and define it before using it.**

Examiners record candidates defining profit, or naming its uses, in a question about a different concept.

ER 2 sessions P2

✗ Giving 'provide jobs' and 'profits' as the aims of a firm in a question that wanted something else.

✓ **Read which agent the question is about – a firm, a worker, a consumer or the government – and give its aims.**

Examiners describe this as the most challenging two-mark question, with most candidates scoring 1 or 0.

ER Nov23 P22

✗ Naming money's characteristics without checking they are characteristics.

✓ **Durable, portable, divisible, recognisable, limited in supply, acceptable.**

Examiners describe the typical correct answer as 'durable and easy to recognise' – the list is short and worth learning.

ER 2 sessions P2

2 · The allocation of resources

✗ Confusing an EXTENSION in demand with an INCREASE in demand.

✓ **An extension is a movement ALONG the curve caused by price; an increase is a SHIFT of the whole curve.**

Examiners record this confusion in a question most candidates could otherwise define accurately.

$\neq$ ER 2 sessions P2

✗ Describing a minimum price as the lowest price a firm may charge, or confusing it with a maximum price.

✓ **A minimum price is set ABOVE the equilibrium and creates a surplus.**

Examiners record both confusions in the same question.

ER 2 sessions P2

✗ Giving 'capital goods and consumer goods' as the axes of any production possibility curve.

✓ **The axes measure the output of the two goods or services THAT CURVE is about.**

Examiners note the general statement was right but many candidates supplied a specific pair that the question had not set.

ER 2 sessions P2

4 · Government and the macroeconomy

✗ Describing the features of a DIRECT tax when the question asked about an indirect one.

✓ **An indirect tax is on goods and services – sales tax, VAT, excise duty.**

Examiners record a few candidates describing the wrong type; the example is what makes the answer safe.

ER Jun24 P22

✗ Naming a way of measuring unemployment that is not one of the two.

✓ **The claimant count and the Labour Force Survey.**

Examiners describe this as straightforward for most, with a sizeable minority giving something else.

ER 2 sessions P2

✗ Listing the government's macroeconomic aims and not saying which two CONFLICT.

✓ **Name the pair and the tension: growth against price stability, or full employment against a balanced current account.**

Examiners note candidates who failed either did not know what macroeconomic aims were, or did not identify a conflict.

ER 2 sessions P2

✗ Naming a central bank policy that is not one it controls.

✓ **Interest rates and the money supply are the two the syllabus names.**

Examiners describe these as the most common correct answers, and the question as one candidates handled well when they knew them.

: ER 2 sessions P2

✗ Defining the unemployment rate as 'people who do not work'.

✓ **The percentage of the LABOUR FORCE who are without work but willing and able to work and seeking it.**

Examiners state such answers did not distinguish the unemployed from those not in the labour force at all.

ER 2 sessions P2

✗ Calculating an unemployment RATE as a number of people, or a number as a rate.

✓ **A rate is a percentage; a count is a number of workers. Check which the question wants.**

Examiners record confusion about the unemployment rate in a calculation most candidates otherwise did correctly.

ER Jun24 P22

5 · Economic development

✗ Describing emigration vaguely, or the wrong way round.

✓ **Emigration is leaving a country; immigration is entering one.**

Examiners describe a clear split between candidates who understood the term and those with only a vague awareness.

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✗ Giving GDP alone as an indicator of living standards.

✓ **GDP PER HEAD, and a second indicator such as the HDI.**

Examiners state plainly that GDP alone is too vague to be credited.

GDP ER 2 sessions P2

6 · International trade and globalisation

✗ Defining free trade as 'trade without restrictions' and stopping.

✓ **Add what the restrictions are: no tariffs, no quotas, no other barriers between the countries.**

Examiners state candidates merely defined it and did not go on to what the question needed.

ER 2 sessions P2

✗ Treating primary income as any income earned first.

✓ **It is a current-account item: profit, interest and dividends flowing between countries.**

Examiners state most candidates did not know the term, which only applies to the balance of payments.

ER Nov24 P22

✗ Leaving the first part of a trade question unanswered.

✓ **Attempt it – the definition is usually the easiest mark on the whole question.**

Examiners note that many candidates choosing that question did not attempt part (a), suggesting a gap in international trade.

ER Nov23 P22

Calculations and diagrams

✗ Multiplying two figures because both are in the question.

✓ **Decide what the calculation means first – 6,400 naira at 400 naira each is a division, not a product.**

Examiners record this exact multiplication as the error a small proportion made.

ER Jun24 P22

✗ Losing track of the zeros – writing $84 or $84 m where the answer is $84 000.

✓ **Write the units out and check the magnitude against the figures you started from.**

Examiners record confusion over the size of the figure, and over how many zeros an answer in billions carries.

ER 2 sessions P2

✗ Adding where the balance requires a subtraction.

✓ **Read what the balance means: exports minus imports, then check the sign.**

Examiners record a very high proportion making the wrong calculation from correctly selected data.

ER Jun24 P22

✗ Drawing a demand and supply diagram with no labels.

✓ **Label price and quantity, both curves, and the equilibrium before and after.**

Examiners state economic analysis applied to diagrams is where a thorough understanding shows.

ER 2 sessions P2

✗ Analysing an effect and never reaching a consequence.

✓ **Follow the chain: more exports, so firms increase output, so they employ more workers, so unemployment falls.**

That chain is quoted by the examiners as the Level 2 answer – each link is what earns the next mark.

ER Jun24 P22

■ Where a question gives numerical data, use the numbers in your answer. Examiners describe this as where analytical and numeracy skills combine.

ER 2 sessions P1