

## May 2015 extended essay reports

# Economics

## Overall grade boundaries

<b>Grade:</b>	E	D	C	B	A
<b>Mark range:</b>	0 - 7	8 - 15	16 - 22	23 - 28	29 - 36

## The range and suitability of the work submitted

Please be aware that this subject report contains much of the same information that was in the May 2012 report. This subject report also includes a check list that students can use to self-check their essays.

Many candidates are choosing topics that are not appropriate for economic analysis. The global economic crisis still continues to generate topics, some of which are appropriate, but many of which are too broad and unfocused. Macroeconomic essays tend not to be very successful as they are generally too broad.

It is very often the case that a supervisor writes that a candidate had hoped to gather certain information but this turned out to be too difficult/impossible. Wherever possible, students should be urged to ensure that information is available before settling on a research question. If vital information is not available, students should be advised to amend the research question in order to match the information that they were able to collect.

There still tends to be an over-reliance on research questions involving market structures. In most cases, the answer to the question is quite obvious, and so there is little genuine research. The essays usually present pages and pages of standard, overly-simplistic textbook theory with superficial and unsubstantiated links to the case study. Students seem to naïvely assume that all markets will conform exactly to a market structure. Market structure essays should be discouraged.

Students should be discouraged from undertaking an essay in economics if they are not studying the course, or if there is not a qualified economics teacher to supervise. It is not fair to expect

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students to teach themselves the economics as well as carry out a research investigation, and the results are inevitably weak.

As explained below (Criterion C), essays that are based to a large extent on surveys/questionnaires are often problematic as students are unlikely to have been able to learn how to carry out that type of research. Furthermore, there is often no evidence that the results of the research are valid or significant.

## Candidate performance against each criterion

### Criterion A: research question

Successful candidates chose research questions that were sufficiently narrow and based on a topic for which there was sufficient information available.

Unsuitable approaches included:

- essays on a historical topic; there is no hard and fast rule on this, but students should confine their topics to something that has taken place within the recent past
- essays on a future event; these are problematic as the conclusions are largely hypothetical and speculative
- essays on the performance of a whole economy; these are rarely successful as they tend to be descriptive and lacking in analysis
- essays on the performance of an individual firm; these tend not to have an economics focus.

Candidates should be encouraged to find things that have actually happened or to look at actual changes in economic policy and analyse these changes using economic theory.

### Criterion B: introduction

The descriptors for this criterion are very specific and it is puzzling that so many students seem to ignore them. Good essays clearly link the research question to the relevant economic theory and outline the context of the research question. Despite the fact that the guidance says "The student's personal experience of particular opinion is rarely relevant here", many students continue to write about their personal reasons for choosing a topic. What is essential is a clear explanation of the significance of the research question. Candidates must convey to the reader that the answer to the research question is something worthy of investigation.

Most candidates earned at least one point for having a separate introduction including the research question, but a great many did not earn the second point.

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### Criterion C: investigation

Supervisors must be reminded that primary research is not compulsory. It still seems that some centres feel that it is obligatory for candidates to carry out surveys and/or questionnaires. This is not the case. Frequently, essays that are based on such surveys are mainly descriptive; candidates do their surveys, and then simply describe their results without meaningfully applying any economic theory.

Candidates often make naïve conclusions based on surveys with too small a sample, or too homogeneous a sample. For example, conclusions based on a survey of the students' friends, or parents' friends would be inappropriate unless the research question specifically referred only to that particular demographic.

Candidates sometimes ask questions that respondents with no knowledge of economics would find it impossible to answer. For example, "Do you think that the market is an oligopoly?" or "What do you feel are the externalities of the coal mine?" would not be accessible by a layperson and so are poor questions.

Students continue to inappropriately generate conclusions about elasticity based on data that they have gathered through surveys. Where surveys ask questions such as "How much would you buy if they price increased by: 10%, 20%, 30% etc." produce hypothetical and unreliable conclusions. Elasticity theory should only be used if prices actually do change, and changes in the quantity can actually be determined.

A better form of primary research would be to contact relevant people for information. Students should be encouraged to use email to try to get in touch with an economist, an economics professor, a journalist or a government official for an interview or for information. Full details and credentials of these interviewees should be included in the essay.

It is important that supervisors and students are aware that the Extended Essay task is a research investigation, and one would expect to see a reasonable range and number of sources consulted. An essay based almost entirely on the theory contained in one survey textbook is unlikely to be suitably in-depth. Good essays show evidence that a reasonably wide range of economics literature has been consulted.

Effective planning may be illustrated by a clear structure to the essay with meaningful sub-headings.

### Criterion D: knowledge and understanding of the topic studied

Successful essays demonstrate that the candidates have thoroughly investigated their topic and meaningfully integrated relevant economic theory. Good knowledge and understanding may be demonstrated where students have carried out a good range of research rather than relying on their

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class notes or one simple textbook. Good knowledge and understanding is also shown where students confidently and correctly use the models in the context of their own investigation.

In weaker essays, students reveal a lack of understanding by misusing economic terminology or drawing inaccurate diagrams.

Students should not include economic concepts that are not relevant to their own research question. More importantly, they should not simply stick in economic theory because they assume that it is relevant. If there is no evidence to support the inclusion of a particular theory, then it should not be included. Two common examples of this are the kinked demand curve diagram and economies of scale diagram. Students make assertions using this theory without having any evidence, and this reveals a lack of knowledge and understanding.

Diagrams should not be cut and pasted from secondary sources. Students should be able to construct the models themselves, and make them relevant to their own investigation.

### Criterion E: reasoned argument

It is very difficult to present a reasoned argument if the research question is not a good one. This highlights the importance of a clearly-focused and appropriate research question.

Successful essays stayed on track, breaking the argument into logical sections with consistent references back to the research question.

Weaker essays included large sections of information that were not used to actually address the research question. When economic theory is tacked on, rather than integrated with the case study, it contributes nothing to the argument and simply takes the reader off-track.

Students often make assertions/conclusions, without providing hard evidence to support these conclusions.

### Criterion F: application of analytical and evaluative skills

This is a particularly good discriminator between strong and weak essays. In good essays, students present and analyse the results of their research, while illustrating critical awareness of the limitations of the theory and their own research.

Where students do not carry out meaningful research, it is unlikely that they are going to be able to illustrate the skills of evaluation and analysis, as they simply do not have enough material to work with.

Students often seemed unaware of the assumptions inherent in the economic models that they were using, thus missing the opportunity to present some meaningful evaluation.

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Where candidates indiscriminately delivered economic theory that was not directly related to their research question, they showed a lack of appropriate analysis. There still continue to be too many instances where students identify relevant theory and include it in the essay, but they do not analyse it in the context of their own research question.

Weaker essays contained data in the form of graphs, tables or charts that included information that was then not analysed. No piece of data should be included without some reference to it in the text, and some analysis of its economic significance. The analysis should not be left to the examiner.

### Criterion G: use of language appropriate to the subject

There is a clear overlap between this criterion and criterion D (knowledge and understanding). Economic terms were appropriately used, with definitions woven into the discussion by strong candidates with good knowledge and understanding. Where students have done effective research and become an expert in their topic, then they are more likely to communicate their argument accurately and convincingly.

There are two particular lapses in the use of terminology that reveal a lack of accuracy. The first is the important distinction between 'demand' and 'quantity demanded'. The second is in the use of elasticity theory where students often inaccurately refer to a good as being elastic or inelastic, rather than the demand for the good being elastic or inelastic.

### Criterion H: conclusion

Most candidates earned at least one point for having a separate conclusion that summarized the key points and presented a clear answer to the research question.

Many students provided additional information in their conclusions. This is not appropriate.

A conclusion is an appropriate place to provide some final evaluation of the investigation and to present limitations of the research along with any unresolved questions.

### Criterion I: formal presentation

A large number of candidates were able to gain full marks on this criterion as they were clearly aware of the requirements of a formal research essay.

Weaknesses included:

- inadequate sourcing of the information presented in the essay. With the exception of what is considered to be 'common knowledge' in the subject, every single idea, picture or item of data must have a citation.
- Poor presentation of diagrams

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- The absence of any of the required elements (e.g. table of contents, page numbers).

### Criterion J: abstract

This should be a criterion on which students do well, as the descriptor is very clear. Most students earned at least one mark for including the three required elements. Where these were present, but not entirely clear, only one mark was awarded.

Unfortunately, some students seemed to think that the word limit is not precise, and lost both marks by exceeding the 300-word limit.

### Criterion K: holistic judgement

It is very important for supervisors to write meaningful and honest comments about the work undertaken by their students, as this information is very important for examiners in assessing this criterion. In essays where primary research has been undertaken, it would also be useful to read confirmation from the supervisor as to the integrity of the research. Examiners enjoy being able to award high marks for this criterion where the supervisors showed genuine appreciation for the work done by their students.

## Recommendations for the supervision of future candidates

It is essential that the students are made familiar with the EE guidelines, including the general information and the Economics chapter with specific guidance.

The importance of a good research question cannot be over-emphasized, and so the greatest support that a supervisor can give is in the development of the research question.

When the students have to make their investigation proposal, they should be asked to detail the academic context and worthiness of their topic/question.

If students cannot get the information that they had hoped to find, they really should be advised to amend the research question.

When commenting on the first draft, it is appropriate for supervisors to indicate to the students whether or not they are using the theory accurately. It is very sad to read essays where the students have clearly put in a great effort, but have applied basic economic theory incorrectly.

While primary research is valuable, candidates must be able to discriminate between meaningful data that can be used to answer the RQ and contrived or superficial data that only serves to add charts and words to the essay.

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Candidates should be advised to ask themselves all through the essay whether they are really answering their research question. There should be no page that does not contain some argument in response to the research question.

Candidates should not present theory as a separate/independent section. It should always be integrated with the analysis of the case study.

Candidates must be taught how to construct complete and accurate bibliographies that include detailed information about all sources, so that the sources can be found and checked.

Supervisors might provide their students with a checklist that allows them to assess their own work against the criteria. An example of such a checklist can be found below.

Criterion	Questions to ask yourself:
A – Research Question	<ul style="list-style-type: none"> <li>• Have you stated the RQ in the intro?</li> <li>• Is the RQ clearly stated (in bold)?</li> <li>• Is the RQ sharply focused, and appropriate for an EE?</li> </ul>
B – Introduction	<ul style="list-style-type: none"> <li>• Is there an introduction?</li> <li>• Have you made the link between the RQ and appropriate, relevant economic theory?</li> <li>• Have you outlined how the RQ is appropriate for economic analysis and why it is worthy of investigation?</li> </ul>
C – Investigation	<ul style="list-style-type: none"> <li>• Have you used an appropriate range of resources and/or gathered primary and secondary data?</li> <li>• Has your primary research generated appropriate information that is relevant to the question?</li> <li>• Is there evidence of good planning?</li> <li>• Have you only included material in support of the reasoned argument?</li> </ul>
D – Knowledge and understanding of topic covered	<ul style="list-style-type: none"> <li>• Does the EE shows an understanding of the economic theory relevant to the topic?</li> <li>• Have you made good use of the economic theory, i.e. is the theory integrated with the case study meaningfully (and not presented in separate sections)?</li> <li>• Are the diagrams well-labelled, appropriate to the case study, and do they indicate accurate relationships between variables?</li> </ul>
E – Reasoned argument	<ul style="list-style-type: none"> <li>• Is there evidence that you have developed an argument in relation to the RQ?</li> <li>• Have you used relevant economic concepts and theory, data and information to answer the RQ?</li> <li>• Have you presented ideas in a logical and coherent manner?</li> </ul>

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<p>F – Application of analytical and evaluative skills appropriate to the subject</p>	<ul style="list-style-type: none"> <li>• Have you shown critical awareness of the validity of the information and possible limitations of the argument?</li> <li>• Are your diagrams relevant and supported by the information in the case study?</li> <li>• If you have used diagrams without any specific evidence from the case study, have you shown awareness of the limitations of the model?</li> <li>• Have you analysed your data in the context of the RQ?</li> <li>• Have you indicated any of the assumptions inherent in the theories and suggested how these assumptions may limit the validity of the conclusions?</li> </ul> <p>(If your essay is mostly descriptive, the essay will score poorly here)</p>
<p>G – Use of language appropriate to the subject</p>	<ul style="list-style-type: none"> <li>• Have you used appropriate economic terminology?</li> <li>• Have you included definitions of relevant terms?</li> <li>• Have you used economic terminology accurately?</li> </ul>
<p>H – Conclusion</p>	<ul style="list-style-type: none"> <li>• Is there a clear conclusion?</li> <li>• Is it consistent with the RQ and the argument?</li> <li>• Have you summarised the obvious limitations to the argument/analysis?</li> <li>• Have you referred to any obvious unresolved questions?</li> </ul>



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I – Formal Presentation	<ul style="list-style-type: none"> <li>• Does the layout, organisation, appearance and formal elements of the essay consistently follow a standard layout?</li> <li>• Is the essay 4000 words or less?</li> <li>• Have you included: title page, table of contents, page numbers, references/citations, bibliography (and appendices if relevant)</li> <li>• Have you provided a reference for every idea and every piece of information/data that you have ‘borrowed’ from someone else?</li> <li>• Are the diagrams neatly presented, with all axes and curves accurately labelled?</li> </ul>
J – Abstract	<p>Does the Abstract clearly include:</p> <ul style="list-style-type: none"> <li>• The RQ?</li> <li>• An explanation of how the research was conducted (scope)?</li> <li>• The conclusion(s)?</li> </ul> <p>Is the Abstract 300 words or less?</p>
K – Holistic judgment	<p>This is a hard one to self-check! Hopefully you can answer yes to several of the following questions:</p> <ul style="list-style-type: none"> <li>• Is the RQ original?</li> <li>• Is the approach innovative?</li> <li>• Is there is some indication that there was personal engagement with the topic?</li> <li>• Have you carried out effective primary research?</li> <li>• Have you drawn balanced conclusions and shown awareness of alternative viewpoints?</li> <li>• Have you made a real effort to organise and present your essay?</li> <li>• Will your supervisor be able to make positive comments about the way that you cooperated, undertook the research, met all deadlines, and completed your essay?</li> </ul>