



Course report 2023

Advanced Higher Economics

This report provides information on candidates' performance. Teachers, lecturers and assessors may find it useful when preparing candidates for future assessment. The report is intended to be constructive and informative, and to promote better understanding. You should read the report in conjunction with the published assessment documents and marking instructions.

The statistics in the report were compiled before any appeals were completed.

Grade boundary and statistical information

Statistical information: update on courses

Number of resulted entries in 2022: 124

Number of resulted entries in 2023: 125

Statistical information: performance of candidates

Distribution of course awards including minimum mark to achieve each grade

A	Number of candidates	69	Percentage	55.2	Cumulative percentage	55.2	Minimum mark required	84
B	Number of candidates	32	Percentage	25.6	Cumulative percentage	80.8	Minimum mark required	70
C	Number of candidates	13	Percentage	10.4	Cumulative percentage	91.2	Minimum mark required	57
D	Number of candidates	7	Percentage	5.6	Cumulative percentage	96.8	Minimum mark required	43
No award	Number of candidates	4	Percentage	3.2	Cumulative percentage	100	Minimum mark required	N/A

Please note that rounding has not been applied to these statistics.

You can read the general commentary on grade boundaries in the appendix.

In this report:

- ◆ 'most' means greater than 70%
- ◆ 'many' means 50% to 69%
- ◆ 'some' means 25% to 49%
- ◆ 'a few' means less than 25%

You can find more statistical reports on the [statistics and information](#) page of SQA's website.

Section 1: comments on the assessment

Question paper

The question paper performed well and was mostly in line with expectations.

Section 1 provided a level of demand that allowed strong candidates to access all questions. Candidates who had kept abreast of current economic news were able to draw on specific knowledge and scored highly in this section.

Most candidates performed well in section 2, and there was evidence that they had prepared well for this section.

Candidates chose questions from all options in section 3. Only a few candidates chose question 12.

Project

The project performed as expected, with a good cohort of candidates producing very well-researched work. In previous years, some candidates presented highly descriptive projects, but this year we saw much more evidence of analysis and evaluation.

This year's projects covered a broad and encouraging range of topics. Many candidates took the opportunity to research an area of economics that they may have had a particular interest in.

Most candidates attempted to answer the question or title that they chose. Only a few candidates presented a very short project of fewer than 3,300 words.

Section 2: comments on candidate performance

Areas that candidates performed well in

Question paper

The economic news at the national and international level was very fluid this year. Candidates with current knowledge of the changing economic landscape performed well in section 1, particularly in questions 2, 4, and 7.

In section 2, many candidates demonstrated a good understanding of why firms in a perfectly competitive market are only able to make normal profits in the long run. A few candidates demonstrated excellent theoretical understanding of monopolies and why they do not always benefit consumers.

Many candidates also provided original answers to question 8(b)(ii), discussing the ways a government might encourage the use of electric cars.

Many candidates who chose question 9 were able to successfully analyse the possible economic consequences of further increases in interest rates on the UK economy, and subsequently discuss the economic implications of high inflation on the UK economy. The candidates who performed strongly demonstrated a sound understanding of current news about inflationary pressures in the UK economy.

Most candidates who chose question 10 were able to describe the economic consequences of an ageing population in good detail.

Most candidates who chose question 11 were able to describe the economic arguments for and against Scottish independence. Many candidate responses to question 11(a) were of a very high standard.

Project

Most candidates produced well-researched projects. Most candidates made effective use of their introduction to provide context for the topic and clearly stated their intended aims. Some candidates also signposted their intended line of argument. This is good practice.

Where candidates had a specific focus on their question, and applied depth to their analysis and not breadth, they scored highly.

Many candidates made very effective use of sub-sections and section conclusions before reaching an overall conclusion at the end.

Some candidates made effective use of diagrams, charts, and graphs. Referencing and footnotes featured fairly consistently across the range of projects.

Areas that candidates found demanding

Question paper

In section 1, questions 1(a) and 1(b), many candidates did not correctly describe either a recession or national debt. Some candidates did not fully discuss the economic implications of diverging income tax rates between Scotland and the rest of the UK in their responses to question 4. For question 5, some candidates evaluated more than two policies that a government could introduce to reduce inequality, when the question clearly asked them to evaluate two policies. Markers could only award marks for an evaluation of two policies.

In section 2, a few candidates did not produce a diagram showing positive externalities in consumption for question 8(b)(i).

In section 3, many candidates did not gain full marks for question 9(d) on the key concepts of modern monetary theory.

Some candidates who chose question 10 argued the point in part (a) that older workers are less productive than younger workers, which is untrue. Some candidates answered question 10(c) by looking at overall increases in production and not necessarily improvements in productivity.

Project

When making an analytical and/or evaluative point from a finding, some candidates did not reference their finding in either a footnote or endnote. Markers could not award marks if candidates did not fully reference the finding.

Section 3: preparing candidates for future assessment

Question paper

To prepare for the question paper, candidates should keep abreast of current national and global economic news. The content of the question paper is driven by current economic issues, so it is essential that candidates stay attuned to the media commentary and analysis of these issues.

Candidates who demonstrate knowledge of ongoing and current economic trends set themselves apart from candidates who rely solely on economic theory in their responses. This is particularly important in section 3 of the question paper, where candidates can gain up to 2 marks for using current accurate statistics.

Teachers and lecturers should continue to advise candidates not to write in bullet points when answering questions.

Project

Candidates should choose a topic that is contemporary and contentious. Choosing an issue where there is clear debate also helps a candidate to engage in the various arguments or discussions surrounding the topic.

In the introduction, candidates should provide relevant background and/or contextual information. They should give a detailed economic justification for their topic choice. Candidates should be asking themselves, 'Why is this topic important?' This will help them justify their topic choice.

Candidates should then clearly state the intended aim(s) of their project. If the chosen topic is contentious and is debated by economists (for example 'Should the Bank of England continue to raise the interest rate?') then it would benefit the candidate to briefly state in the introduction which side of the debate they agree with and why. This can help the candidate present a clear line of argument, and it can provide a clear analytical focus.

Candidates who provide analytical commentary and critical evaluative judgements based on research are likely to produce strong projects. The quality and depth of research determines the level of analysis and evaluation. When presenting an analytical and/or evaluative comment, candidates should ask themselves why they have arrived at this point. Candidates should always base their analysis and evaluation on research and reference this in a footnote or endnote. To gain the 6 marks for in-depth, substantive analytical and/or evaluative comments, candidates should look carefully at the detailed marking instructions for these 6 marks, which state:

- ◆ use referenced evidence to prove or disprove a point made previously
- ◆ present sub-issues that add value to the overall argument
- ◆ pull together various strands of an argument to develop an over-arching and/or synergistic point of analysis or evaluation

Teachers and lecturers should encourage candidates to use applied economic theory in the context of the issue. Candidates can gain up to 2 marks for using applied economic theory. However, candidates should be mindful that they cannot gain these economic theory marks if they only define economic terms.

Candidates should integrate and interpret any table, infographic, diagram, chart, or graph they include. Candidates should ask themselves, 'What does this information show and why is this information important to the issue?' By thinking about data and diagrams in this way, a candidate will be less likely to simply describe information and more likely to present it in an analytical and evaluative way.

Teachers and lecturers should encourage candidates to provide a couple of recommendations in their final conclusion.

Appendix: general commentary on grade boundaries

SQA's main aim when setting grade boundaries is to be fair to candidates across all subjects and levels and maintain comparable standards across the years, even as arrangements evolve and change.

For most National Courses, SQA aims to set examinations and other external assessments and create marking instructions that allow:

- ◆ a competent candidate to score a minimum of 50% of the available marks (the notional grade C boundary)
- ◆ a well-prepared, very competent candidate to score at least 70% of the available marks (the notional grade A boundary)

It is very challenging to get the standard on target every year, in every subject at every level. Therefore, SQA holds a grade boundary meeting for each course to bring together all the information available (statistical and qualitative) and to make final decisions on grade boundaries based on this information. Members of SQA's Executive Management Team normally chair these meetings.

Principal assessors utilise their subject expertise to evaluate the performance of the assessment and propose suitable grade boundaries based on the full range of evidence. SQA can adjust the grade boundaries as a result of the discussion at these meetings. This allows the pass rate to be unaffected in circumstances where there is evidence that the question paper or other assessment has been more, or less, difficult than usual.

- ◆ The grade boundaries can be adjusted downwards if there is evidence that the question paper or other assessment has been more difficult than usual.
- ◆ The grade boundaries can be adjusted upwards if there is evidence that the question paper or other assessment has been less difficult than usual.
- ◆ Where levels of difficulty are comparable to previous years, similar grade boundaries are maintained.

Grade boundaries from question papers in the same subject at the same level tend to be marginally different year on year. This is because the specific questions, and the mix of questions, are different and this has an impact on candidate performance.

This year, a package of support measures was developed to support learners and centres. This included modifications to course assessment, retained from the 2021–22 session. This support was designed to address the ongoing disruption to learning and teaching that young people have experienced as a result of the COVID-19 pandemic while recognising a lessening of the impact of disruption to learning and teaching as a result of the pandemic. The revision support that was available for the 2021–22 session was not offered to learners in 2022–23.

In addition, SQA adopted a sensitive approach to grading for National 5, Higher and Advanced Higher courses, to help ensure fairness for candidates while maintaining

standards. This is in recognition of the fact that those preparing for and sitting exams continue to do so in different circumstances from those who sat exams in 2019 and 2022.

The key difference this year is that decisions about where the grade boundaries have been set have also been influenced, where necessary and where appropriate, by the unique circumstances in 2023 and the ongoing impact the disruption from the pandemic has had on learners. On a course-by-course basis, SQA has determined grade boundaries in a way that is fair to candidates, taking into account how the assessment (exams and coursework) has functioned and the impact of assessment modifications and the removal of revision support.

The grade boundaries used in 2023 relate to the specific experience of this year's cohort and should not be used by centres if these assessments are used in the future for exam preparation.

For full details of the approach please refer to the [National Qualifications 2023 Awarding — Methodology Report](#).