



EXAMINER'S REPORT

AUGUST 2005

ECONOMICS

This paper was taken by one candidate who passed achieving a "D" grade. The key to passing was Question 3 about elasticity which was answered well. The answers to other questions strayed off the point, increasingly so as I worked through the paper. One answer, on the money supply process, was simply wrong - it is not possible for a bank that receives a deposit of €1000 to lend €4000.

Question 4 (a) was about the benefits to the economy of competitive markets, but spent too much time discussing the difference between the short-run and the long-run before getting to the meat of the question viz. the efficient allocation of resources.

The answer to Question 5 correctly indicated the monopoly outcome, but failed to address adequately the second part of the question re policy. Question 8 was poorly answered. There is no need to say that it (inflation) "is calculated upon 10 Household items that feature predominately () in the monthly budget". Not only is this not correct it had nothing to do with answering the question.