

# **ECONOMICS**

## **SUBJECT 9158**

**NOVEMBER 2013**

### **PAPER 03**

#### **GENERAL COMMENTS**

Generally, the paper proved to be fair with most candidates managing to meet the requirements of the various questions. The paper covered the topics of the whole syllabus.

#### **COMMENTS ON INDIVIDUAL QUESTIONS**

##### **QUESTION 1**

A very popular question attempted by quite a good number of candidates. On part (a), most candidates were able to explain the concept of scarcity and linked it to choice and opportunity cost.

On part (b), quite a good number of candidates were able to give a comprehensive discussion of the benefits of a market economy. Most candidates who attempted this question were able to score high marks.

##### **QUESTION 2**

- (a) A popular question attempted by quite a number of candidates. Most candidates were able to analyse the factors influencing PED, though very few managed to apply the concept to cement.
- (b) Most candidates found it difficult to apply elasticity of demands concepts to the housing construction industry.

##### **QUESTION 3**

The popular question attempted by quite a number of candidates.

- (a) Candidates managed to identify reasons of the survival of small firms. Quite a good number of those who attempted this question were able to score high marks.
- (b) Candidates were supposed to discuss whether large firms better serve society as compared to small firms.

#### **QUESTION 4**

A fairly popular question but poorly answered by many candidates.

- (a) On part (a), most candidates who attempted this question gave a limited explanation for the concepts thus scoring lower marks on the question.
- (b) On part (b) most candidates failed to discuss the link between profitability and efficiency of a firm. They were supposed to make use of the market structures to illustrate the relationship.

#### **QUESTION 5**

The least popular question and poorly answered by most candidates who attempted it.

- (a) On part (a), most candidates who attempted this question displayed lack of knowledge on net advantage.
- (b) On part (b), quite a number of candidates who attempted the question failed to discuss the link between strength of a trade union and wages in an industry.

#### **QUESTION 6**

This was a fairly popular question. Most candidates who attempted this question managed to score high marks, displaying good knowledge of the concept of market failure.

#### **QUESTION 7**

A less popular question and part (b) was poorly answered by many candidates who attempted it. This shows that most candidates faced difficulty in applying the concept.

#### **QUESTION 8**

A fairly popular question but most candidates failed to explain the problems clearly on part (a) and the discussion on part (b) was rather centred on living standards only without conserving other factors such as planning and economic growth.

### **QUESTION 9**

A popular question but part (b) was poorly answered by many candidates. Most candidates failed to comprehensively discuss the effects of a change in money supply.

### **QUESTION 10**

Another popular question and candidates who attempted it managed to score high marks. Most of them displayed good knowledge of economic growth.

### **QUESTION 11**

A very popular question and well performed by quite a good number of candidates. On part (a) candidates were expected to consider both economic and social effects.

### **QUESTION 12**

This was a less popular question. Most candidates who attempted the question gave a limited discussion on the concept thus failing to score high marks.