



## Worksheet 5: Making justified judgements

For each of the examples of (changes in) economic events/variables, suggest what the final outcome may depend on. The first example has been done for you.

	Evaluation points
An outward shift of the PPC caused by discovery of a new oil field may not lead to more output produced ...	<i>... if the economy doesn't have the resources to exploit the newly discovered oil deposit.</i>
Equilibrium price of laptops may still decrease despite an increase in incomes ...	
It is better for a product to be price inelastic ...	



	Evaluation points
A maximum price is likely to be successful ...	
A national minimum wage may not be of overall benefit to everyone ...	
A monopoly is likely to be of overall benefit to consumers ...	



	Evaluation points
The benefits of economic growth outweigh the costs ...	
Higher employment is desirable ...	
Inflation is more harmful ...	



	Evaluation points
A current account deficit is more concerning ...	
Population growth is desirable ...	