

OLLSCOIL NA hÉIREANN, GAILLIMH  
NATIONAL UNIVERSITY OF IRELAND, GALWAY

SUMMER EXAMINATIONS 2000

**EC120 NATURAL AND SOCIAL ENVIRONMENT PAPER 1**

1<sup>st</sup> B.A. (Economic and Social Studies)

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**Time allowed: THREE hours**  
**Marks: 350**

**Instructions: both Section A (short questions) and Section B (longer questions) must be attempted.**

**SECTION A (110 marks)**

**Answer any THREE of the following. (maximum one page each)**

1. Outline some of the advantages and at least one criticism of a Basic Income scheme.
2. Discuss any three regional development policies implemented in Ireland.
3. How is income inequality measured? What has happened to the levels of income inequality in Ireland since 1987? Mention the impact of recent income tax changes on Irish income inequality.
4. Comment on four of the likely effects of the introduction of the National Minimum Wage in Ireland.
5. Discuss the current housing market in Ireland, with reference to state interventions and the background to the recent large increases in house prices.
6. Briefly describe the functions of the three principal institutions of the European Union. What roles do each of them play in the EU decision-making process?
7. Why are the queues for taxis so long in Dublin? Using two diagrams, illustrate the effects of the proposed increase in the numbers of taxi licences on the price of these licences.

## SECTION B (240 marks)

**Answer any THREE of the following:**

1. In the context of the role played by the state in our economic development, describe the three major policy choices and five principal mistakes made since 1922.
2. Using the corporatist model of policymaking, describe the policymaking process in Ireland. Discuss some of the constraints facing policy-makers, and outline the role played by interest groups.
3. What is meant by the term Social Partnership? Describe the central features of Social Partnership. Has Social Partnership achieved its aims since 1987? Briefly discuss one criticism of Social Partnership. Why have some analysts argued that the Social Partnership process is under threat at the moment?
4. Discuss the taxation system in Ireland under the following headings:
  1. The overall burden of taxation
  2. The breakdown between direct and indirect taxation
  3. Problems associated with the income tax and PRSI system
  4. The difference between tax-free allowances and tax credits
  5. Possible reforms of the taxation system
5. Competition policy is becoming increasingly important in ensuring a strong and vibrant Irish economy. Discuss this statement, referring to collusion, recent reforms and a case study in competition policy.
6. Ireland's membership of the European Union has had a significant impact on agriculture, via the Common Agricultural Policy, and on the broader economy, via the Structural Funds.
  - (a) Discuss the operation, current problems and prospects for the future of the CAP.
  - (b) What are the Structural Funds? What are their aims? How did Ireland qualify for assistance from these funds? Discuss the impact of structural funding on the economy, and outline the recent reforms of the structural funds as part of the National Development Plan 2000-2006.
7. Discuss the causes of the large increase in the level of traffic congestion during the last decade. Suggest some potential solutions to this problem. Using the concept of externalities, explain why economists favour road-pricing as a policy prescription.