

ECONOMICS CALA 1

Learning Area: Economics.

Level: Form 5

Topic: The Basic Economic Problem

Competences: Research, Problem solving, Critical thinking and analytical skills.

Background

The world is facing the problem of scarcity of economic resources relative to unlimited human wants. It is against this background that learners are required to acquaint themselves with the challenges associated with scarcity and how to deal with the problem at family, organizational, national and global level.

The CALA

This CALA has two components, A and B, with a total of 50 marks. You are required to answer all the parts.

Required

- A. Carry out a research at your school to identify:
 - i. Four factors of production with two examples of each [12]
 - ii. Draw a production possibilities curve (PPC) to show how choice results in opportunity cost [7]
- B. State and explain:
 - i. The school has recently constructed a new classroom block. Illustrate and explain briefly how that would impact the school's PPC and suggest any other method of dealing with the problem of scarcity [6 Marks]

TOTAL: 50 MARKS