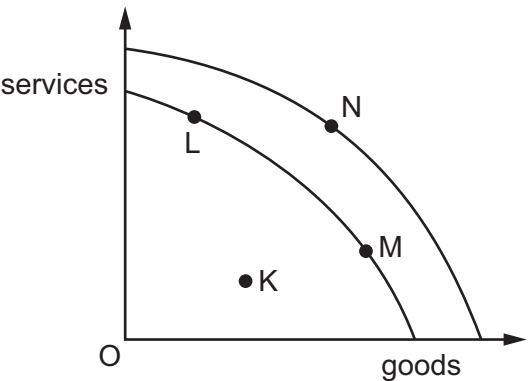


- 1 An American family is choosing between four holiday destinations in Europe, each at the same price. The table shows the family's order of preference for these holiday destinations.

holiday destination	order of preference
Barcelona	1st
London	= 3rd
Paris	2nd
Venice	= 3rd

If the family goes to Barcelona, what is the opportunity cost of this choice?

- A Barcelona
 - B London and Venice
 - C Paris
 - D London, Paris and Venice
- 2 The diagram shows two production possibility curves for an economy.



Which combination of movements correctly illustrates these changes in production?

	short-run economic growth	long-run economic growth	no economic growth
A	K to L	L to M	M to N
B	K to L	M to N	L to M
C	M to N	K to L	L to M
D	M to N	L to M	K to L