

- 1 Which question does **not** directly refer to the basic economic problem?
- A What goods and services should a firm produce?
 - B What price should a firm charge?
 - C What production methods should a firm use?
 - D Who should receive the goods and services that a firm produces?
- 2 The diagram shows the change in an economy's production possibility curve as it grows in the long run.

Which movement from point X is **most** likely to show the highest potential for growth?

