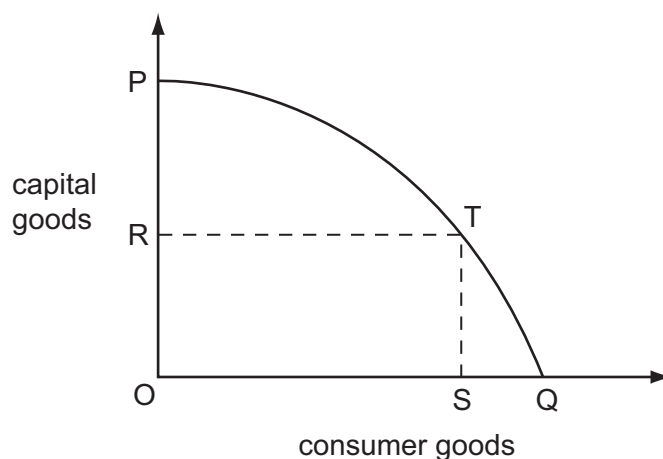


- 1 Why is scarcity the central feature of the economic problem?
 - A People's needs are limited.
 - B Resources have alternative uses.
 - C Economic resources are finite.
 - D Consumers have limited choices.

- 2 The production possibility curve for an economy producing capital and consumer goods is represented by the line PQ.



What is the opportunity cost of producing OS of consumer goods?

- A OR of capital goods
 - B PR of capital goods
 - C SQ of consumer goods
 - D SQ of consumer goods + PR of capital goods

- 3 In which types of economy might a government control prices?
 - A market and mixed only
 - B market and planned only
 - C market, mixed and planned
 - D mixed and planned only

- 4 Which action by an individual would **not** be considered an action of the factor of production labour?
 - A leaving college to work on the land
 - B moving from a labour-intensive industry to work in a capital-intensive industry
 - C setting up a new business in information technology
 - D undertaking a training course in computer skills