The economic problem and economic assumptions

Pearson Edexcel · International GCSE · Economics · Vocabulary in context

Word	Example
wants /wɒnts/	People's **wants** are endless, but resources are limited.
finite /'faɪnaɪt/	Oil is **finite**: one day it will run out.
scarcity /'skeəsɪti/	**Scarcity** means we cannot have everything we want.
opportunity cost /ɒpə'tju:nɪti kɒst/	The **opportunity cost** of a holiday is what else you could have bought.
production possibility curve /prə'dʌkʃn ˌpɒsə'bɪlɪti kɜ:v/	The **production possibility curve** shows what a country can make with its resources.
economic growth /ˌi:kə'nɒmɪk grəʊθ/	**Economic growth** means the economy makes more each year.
assumptions /ə'sʌmpʃnz/	Check the **assumptions** behind the forecast before expanding.
maximise their benefit	Consumers try to **maximise their benefit** from the money they spend.
maximise their profit	Most firms try to **maximise their profit**.
habits /'hæbɪts/	Reading before bed is one of my **habits**.
revenue /'revənju:/	Selling 30 loaves at $5 brings $150 of **revenue**. $5 30 $150
sales /seɪlz/	The shop's **sales** rose in December.

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charitable work	Some groups use their money for **charitable work**, such as helping the homeless.