Solutions

Marking: **K** knowledge, **App** application to the case, **An** analysis (a developed chain of reasoning), **Ev** evaluation (a justified judgement); calculations earn **M1** for the method and **A1** for the answer.

Each answer shows the steps, then the **result**.

2.1

- clean air is now **scarce** in the city (K)
- **resources** are used to supply it, so it has an opportunity cost (App)

2.2

- sunlight: **free**; bottle of water: **economic**; bus seat: **economic** (all three B2; two correct B1)

2.3

- **wants** are unlimited: rising incomes bring new wants (K)
- **resources** such as doctors and hospital beds are **finite** (K)
- so the government must **choose** between health and other services (An)
- the hospital queue shows that wants for treatment exceed the resources available (App)

3.1

D

3.2

(a)

- **economic** good: the water is now **scarce** (K)
- there is not enough for everyone, so using it has an opportunity cost (App)

(b) two choices, each explained (K + App each):

- how to **use** the water: drinking and cooking rather than washing or a garden
- how to spend **time** or income: queuing at the well rather than working, or buying water from a seller

(c) a developed chain, for example:

- farmers have less water than their crops need (App)
- they must **choose** which fields or crops to water (K)
- they may switch to crops that need less water, or keep only some animals (An)
- so output and income fall, and some workers may lose jobs on the farms (An)
- their choice of what and how much to produce is limited by the scarce resource (An)

(d) for: (An)

- water is a basic need; poor families might not afford it if it is sold
- free supply protects health and stops disease from dirty water

against: (An)

- the government's **budget** is scarce: free water means less for schools or roads (opportunity cost)
- free water gives no reason to save it, so the well may run dry sooner

judgement: (Ev) for example, supply a free **basic amount** per family and charge for more, since this meets the need while still giving a reason to save water in a drought.

Level 3 (6–8): both sides analysed and a justified judgement. Level 2 (3–5): one side analysed or both sides explained. Level 1 (1–2): simple points.