Solutions

IGCSE Economics answers are marked by **level of response**: award **K** knowledge, **App** application, **An** analysis and **Ev** a justified judgement.

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

2.1

- land → **rent**; labour → **wages**; capital → **interest**; enterprise → **profit** (K)

2.2

- **capital** is the **man-made** things used to produce goods and services (machines, factories) (K)

2.3

- **mobility of labour** is how easily a worker can **move from one job** to another (K)

3.1 D

- the reward to **enterprise** is **profit** (K)
- A is land; B is labour; C is capital

3.2

- for **each** of two ways: K + An
- e.g. **education and training** raise skills → workers produce more
- e.g. **better healthcare** keeps workers fit → they work more productively

3.3

- a worker with **transferable skills** can move easily; a **narrow skill** cannot (K + An)
- training raises mobility, but some jobs need **licences** that take years
- the more **general** the skills, the more occupationally mobile the worker is (An)