

# 1 Scarcity and choice – Part 1

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

## Vocabulary 词汇

Write each word three times. 把每个单词抄写三遍。

| English               | 中文   | Write it 3 times (English) |
|-----------------------|------|----------------------------|
| economic problem      | 经济问题 | _____                      |
| scarcity              | 稀缺性  | _____                      |
| factors of production | 生产要素 | _____                      |

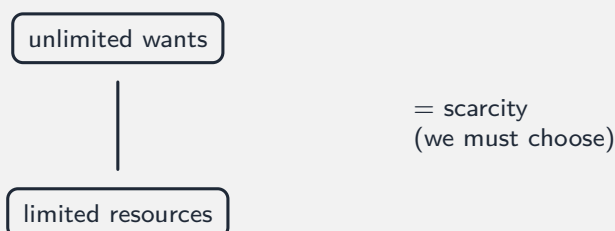
## Recall

The basic **economic problem** 经济问题 is **scarcity** 稀缺性: people have unlimited wants but only limited resources.

## New ideas

Read these first, then do the Practice.

### ■ 1 Scarcity and choice



Because of scarcity, every choice has a cost.

### ■ 2 Factors of production

The **factors of production** 生产要素 are the resources used to make goods:

|            |                   |
|------------|-------------------|
| land       | natural resources |
| labour     | workers           |
| capital    | machines, tools   |
| enterprise | the risk-taker    |

**Watch out: scarcity** comes from unlimited *wants* but limited *resources* —it forces every choice. The four factors are **land, labour, capital, enterprise**: labour is the workers, capital is the machines/tools, enterprise is the risk-taking organiser.

## Practice

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Try these in order.

**1.1** What is *scarcity*? [1]

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**1.2** Why does scarcity force us to make choices? [1]

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**1.3** Name the four factors of production. [2]

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**1.4** Which factor is the "workers"? [1]

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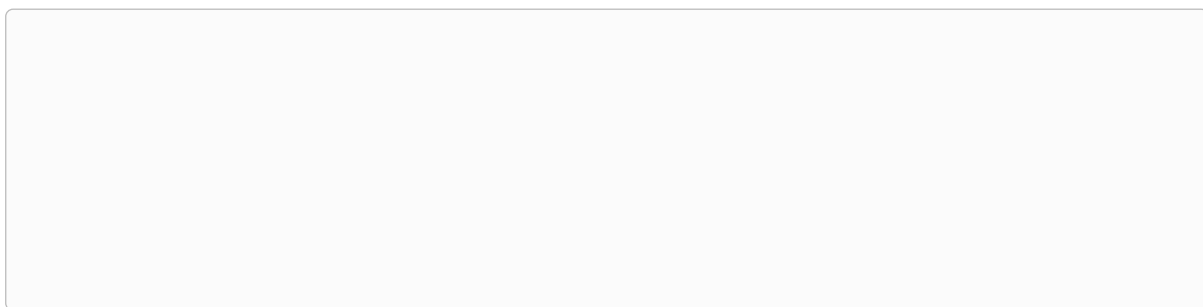
**1.5** Which factor includes machines and tools? [1]

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**1.6 Challenge.** A baker uses a field, three staff, an oven, and her own idea to run the

business. Match each one to a factor of production.

[4]

A large, empty rectangular box with a thin black border, intended for a matching exercise. It occupies the upper half of the page below the instruction.