

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

Try these in order.

1.1 What is *scarcity*? [1]

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

1.3 Name the four factors of production. [2]

1.4 Which factor is the “workers”? [1]

1.5 Which factor includes machines and tools? [1]

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]

