1. The basic economic problem

Starter Quiz · 课前小测

IGCSE Economics Name: ____________ Score: ______

1. The basic economic problem exists because:
   - ☐ wants are unlimited but resources are limited
   - ☐ people do not work hard enough
   - ☐ prices are too high
   - ☐ there is too much money
2. In economics, capital means:
   - ☐ man-made aids to production (machines, tools)
   - ☐ money in the bank
   - ☐ a capital city
   - ☐ natural resources
3. Opportunity cost is:
   - ☐ the next best alternative given up
   - ☐ the money price of a good
   - ☐ the total of all options not chosen
   - ☐ the cost of making a good
4. A point on the PPC represents an economy that is:
   - ☐ using all its resources efficiently
   - ☐ wasting resources
   - ☐ producing the impossible
   - ☐ in recession
5. Which is a free good?
   - ☐ air
   - ☐ a smartphone
   - ☐ a bus ticket
   - ☐ a loaf of bread
6. The entrepreneur takes the risk and combines the other factors of production.

   ☐ True ☐ False

7. Every economy must decide what to produce, how to produce it, and for whom.

   ☐ True   ☐ False

8. Opportunity cost applies to consumers, producers and governments.

   ☐ True   ☐ False

9. A good that is scarce and so has an opportunity cost is an _________ good.

   ____

10. Education and training that make workers more productive improve human _________.

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IGCSE Economics

1. **wants are unlimited but resources are limited**

   Scarcity = unlimited wants meeting finite resources.

2. **man-made aids to production (machines, tools)**

   Capital is man-made aids to production, not money.

3. **the next best alternative given up**

   It is the single next-best alternative sacrificed.

4. **using all its resources efficiently**

   On the curve = full, efficient use; inside = waste; beyond = unattainable.

5. **air**

   Air is not scarce, so it has no opportunity cost — a free good.

6. **True**

   Enterprise organises land, labour and capital and bears the risk for profit.

7. **True**

   These three questions follow from scarcity.

8. **True**

   Anyone making a choice with scarce resources faces an opportunity cost.

9. **economic**

   Economic goods are scarce; free goods are not.

10. **capital**

    Human capital is the skills embodied in labour.