



IGCSE Economics Assignment One

THE BASIC ECONOMIC PROBLEM

Please write your answers on lined paper using black pen. Leave a blank line or two after each question so your tutor has space to write comments. Once your work is complete, scan the pages and upload to Canvas as a PDF.

1. What is the “Economic Problem?” (4 marks)
2. What is a free good and give an example. (4 marks)
3. What are the four factors of production and why are they known as “inputs?” (10 marks)
4. What is an entrepreneur’s relationship to the other factors? (2 marks)
5. What are the rewards for the factors? (8 marks)
6. Land covers two different types of factor. Please explain. (4 marks)
7. What is opportunity cost and what is the opportunity cost of studying Economics? (4 marks)
8. Explain opportunity cost in decision making by consumers; producers; governments. (6 marks)
9. Why must a government consider opportunity cost? (4 marks)
10. What two concepts are illustrated by a Production Possibility Curve? (4 marks)

TOTAL FOR ASSIGNMENT 50 MARKS