

Smart Exam Resources/Smart Edu Hub

IGCSE-Economics

1.1.1 Finite resources and infinite wants — Question Paper (Student Copy, Set 4)

Q1.

The government of a prosperous country announced that it would offer free food to its citizens for a year. What would be the effect of this measure?

- A Agricultural resources would become unlimited.
- B Human wants would become finite.
- C More resources would be devoted to food production.
- D The basic economic problem would be solved.

Q2.

What is the basic problem facing all economies?

- A how to achieve a stable balance of payments
- B how to maximise tax revenues
- C how to reach full employment
- D how to use scarce resources

Q3.

What do economies aim to achieve in tackling the economic problem of scarcity?

- A equal balance between public and private sectors
- B equal reward for equal effort
- C increased competition in the use of resources
- D optimum allocation of finite resources

Q4.

Hospital services are provided by the government and paid for through taxation. People cannot always get the treatment they require because of long waiting lists. Of what is this an example?

- A external cost
- B market system
- C perfectly inelastic supply
- D scarcity

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Q5.

Which economic change would increase the problem of scarcity?

- A a decrease in fish stocks
- B a discovery of a new oil field
- C an increase in labour productivity
- D a reduction in waste

Q6.

What is the best example of the existence of the economic problem?

- A A government provides accommodation for all those who are homeless.
- B A police force has a lengthening list of unsolved crimes.
- C Janitha hands her homework in at the last permitted deadline.
- D Musa completes his journey without putting petrol in his car. © UCLES 2016
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Q7.

What is the cause of the economic problem facing all countries?

- A climate change and global warming
- B significant quantities of unemployed resources
- C uneven distribution of income and wealth
- D unlimited wants in relation to limited resources

Q8.

Although people may satisfy their basic needs there is always something more they want. To what economic issue does this statement refer?

- A exchange
- B market forces
- C scarcity
- D income distribution

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Q9.

Which economic change would increase the problem of scarcity?

- A a decrease in fish stocks
- B a discovery of a new oil field
- C an increase in labour productivity
- D a reduction in waste

Q10.

What is meant by the economic problem?

- A how to achieve efficiency with the existence of fixed resources and limited wants
 - B how to allocate resources between public and private sectors
 - C how to balance unlimited wants against finite resources
 - D how to decide which methods to use to exploit all resources © UCLES 2011
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Q11.

What is meant by the economic problem?

- A how to achieve efficiency with the existence of fixed resources and limited wants
 - B how to allocate resources between public and private sectors
 - C how to balance unlimited wants against finite resources
 - D how to decide which methods to use to exploit all resources © UCLES 2011
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