

SMART EXAM RESOURCES
0455/0987(9-1) IGCSE ECONOMICS
PAPER-2- MARKSCHEME

MARKSCHEME: 1

(a) What is the opportunity cost of a person going to university?

[2]

Opportunity cost is the (next) best alternative foregone (1).
The cost may be working in a job/wages (1).

MARKSCHEME: 2

Explanation in terms of limited resources compared with unlimited wants, choice between resources (2 marks).

Next best alternative forgone (2 marks).

[4]

MARKSCHEME: 3

Definition: the (next) best (1) alternative foregone/not taken (1) as a result of taking a decision/making a choice – appropriate example of choice (1). [3]

MARKSCHEME: 4

Why may less wheat be the opportunity cost of producing more milk? [2]

- Opportunity cost is the cost of the (next) best alternative foregone (1).
- Land / resources used for growing wheat may be used to keep cows (1) reducing the amount of wheat that can be produced (1).

MARKSCHEME: 5

Explanation of principle. Must mention 'next best' or 'best' for 2 marks. Application in terms of what might be given up – for example, might get higher pay but give up shorter journey, might give up possible alternative job, might give up holidays by switching employment, 1 mark. [3]