

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

MARKSCHEME: 1

Explain why scarcity gives rise to an 'opportunity cost'.

[4]

1 mark for explanation of the term 'scarcity' in terms of the finite resources.

1 mark for insufficient resources to satisfy the unlimited wants.

1 mark for stating that this gives rise to the need to make a choice.

1 mark for stating that this choice will involve an opportunity cost in terms of the (next) best alternative that is foregone.

MARKSCHEME: 2

Define <i>opportunity cost</i> .	2
The (next) best alternative / choice (1) forgone / sacrificed (1).	