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0455 / 0987 (9-1) IGCSE Economics Topic Questions / Paper 2

Topic: 1.2.1 Factors of production and their rewards

Question-1

In Zimbabwe a local community markets a tea which grows wild in their area.

'Communities should be able to manage their natural resources if they are to benefit, especially if they are to gain an economic benefit,' the leader of the project said.

Identify the factors of production. [4]

Question-2

Sometimes in an industry a firm buys a smaller competitor which uses similar factors of production. At other times a firm buys another firm which supplies it with the raw materials and other inputs for its production.

Explain what is meant by the factors of production. [4]

Question-3

In 2007, it was reported that a trade union of post office workers feared that increased capital investment would mean more automation and job losses. The union demanded that managers allow higher wages and shorter working hours for its members. Explain what is meant by the factors of production and identify which factors are involved in the above statement.

Explain what is meant by the factors of production and identify which factors are involved in the above statement. [4]

Question-4

What is meant by the term factors of production?[4]

Question-5

Explain three factors of production that are involved in the operation of an airport. [6]