2016 E.C 1st Quarter Economics 2nd Worksheet for grade 9th

Name _____ **Section** _____ **No** _____

I. Choose the best answer from the given alternatives

1. Any point lying on a production possibility curve indicates
   A. Inefficient utilization of resource C. unattainable and inefficient
   B. Full utilization of resources D. none
2. A production possibility curve is:
   A. A horizontal straight line C. an upward sloping curve
   B. A vertical straight line D. a downward sloping curve
3. Which of the following best captures the three basic economic questions of every society?
   A. What, When and why? C. how much, how often and for whom?
   B. What, how and for whom? D. When, where and why?
4. The term scarcity in economics refers to the fact that:
   A. Economic wants are limited and resources are abused
   B. Even in the richest country some people goes hungry
   C. No country can produce enough products to satisfy everybody's economic wants
   D. Demand for the product greater than quantity supplied
5. The fundamental reasons people must choose which goods to buy and consume is because of:
   A. Scarcity
   B. The fact there is many different economic agents
   C. People engaging in exchange
   D. Specialization

II. Short Answer

6. What is the main difference between scarcity and shortage of resources?
7. Explain the following concepts briefly
   A. Choice B. Opportunity cost C. Scarcity

III. Work out the following problems based on the given information

8. Assume that a certain simplified economy produces only two goods, X and Y, with a given resources and technology. The following table gives the various possible combinations of the production of the two goods.

Production possibility	Good X	Good Y	Opportunity cost of Good x
A	0	100	
B	2	90	
C	4	60	

D	6	20	

A. Calculate the opportunity cost of the production of good X at each point and fill the answer in the table above. What law does the trend in those values exhibit?
B. What Changes are required for this economy to shift the PPF outward?