Resolving Scarcity

We live in a world of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ resources. These resources are often referred to as the four factors of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. These include land, labour, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and enterprise. Some countries have more of these \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ than others.

It is the nature of \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_ to have \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ wants. This means to say that we want more than the things that we need to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, also called our needs. The fact that we have infinite wants is made worse by the fact that much of what we have will someday need \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Therefore there is a basic economic \_\_\_\_\_\_\_\_\_\_\_\_\_\_. This can be summarized as 3 economic \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to produce, How to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to produce.

With this economic problem present consumers, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ must make \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. With every choice there is an \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ cost . This is the cost benefit that the next best alternative (choice) would have brought. Therefore if you have \_\_\_\_\_\_\_\_\_\_\_\_\_ hours in the evening when you get home from school, the opportunity cost of doing your homework for 3 hours is the \_\_\_\_\_ hour of leisure that you might have enjoyed!

Countries and firms also have to make choices and there is an opportunity cost of these decisions. This can be shown on a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ curve. A PPC shows the various combination of production that a firm or \_\_\_\_\_\_\_\_\_\_\_\_\_ can make.

Over time the PPc of most countries will \_\_\_\_\_\_\_\_\_ as new technology, larger populations, better educated workforce and new resources become available this will lead to a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ expansion of the PPC.