

Name: _____

1.1.3 The economic problem (1)

1. Fill in the gaps.

The central purpose of economic activity is the _____ of _____ and _____ to _____ needs and wants. The key economic decisions are _____ to _____, _____ to _____ and _____ is to _____ from the goods and services _____.

2. Distinguish between needs and wants:

Needs:

Wants:

3. Using different colours highlight which of the following are needs and which are wants.

friends	wine	visit to the doctors
education	shelter	poetry
rugby tickets	food	designer glasses
chocolate	cinema	pets
electricity	blueberries	housing
love	a new car	Y11 prom
an 18 th birthday party	water	music

In small groups justify your answers for each of the above.

4. Categorise the following statements under the appropriate heading of what to produce, how to produce and who to produce for.

Statement	What	How	Who
The Premier League should target the BRICS countries			
Wood fired ovens improve the quality of pizza			
Microsoft should develop wearable technology			
Jaguar Land Rover use robotics in their car production			
Top Shop have moved into the US market			
Coca cola use capital intensive production processes			