Worksheet

1 The nature of the basic economic problem

Complete the following activities on the nature of the basic economic problem.

Activity 1

Give an example of the basic economic problem as faced by each of the economic agents listed in the table below.

|  |  |
| --- | --- |
| Type of economic agent | Example of the basic economic problem |
| Individual consumer |  |
| Individual worker |  |
| Producer/firm |  |
| Government |  |

Activity 2

For each of the following, identify whether they would be classed as economic goods or free goods.

The first one is done for you.

|  |  |  |
| --- | --- | --- |
| Example | Economic good | Free good |
| Shirt | ü |  |
| Sunlight |  |  |
| Toothpaste |  |  |
| Air |  |  |
| Pencil |  |  |
| Chair |  |  |
| Sea |  |  |
| Rainwater |  |  |
| House |  |  |