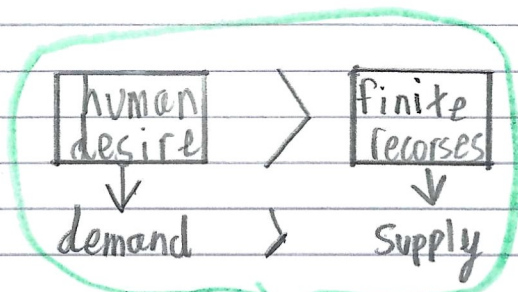


①

Resources used to make Goods

In any country there is a finite amount of resources.



Things produced in order to be sold

Needs are Basic requirements for survival
eg water
food
shelter
cloths

Wants are human desires and are unlimited
eg Phones
XBox
PS5
Computer

The Basic economic Problem

Opportunity Cost

the thing you sacrifice, the second best item, in order for the one you desire more.

Individuals

XBox Vs
PS5
Phone Vs
Watch

Firms

quality Vs
Volume
Price Vs
quality

Government

Hospital Vs
School
Police Vs
motorway

Factors Of Production

Land

Raw materials eg
wood, coal, oil.

Rent

Labour

Human resources eg
workforce

Wages

Capital

Human made aids eg
machinery, tools

Interest

Enterprise

Organiser of
all other factors

Profit

Mobility of Resources

Occupational mobility.

Resources can change use

Geographical mobility

Resources can change location

Factor	Geographical mobility	Occupational Mobility
Capital	mostly mobile, like cars but Buildings are not	Mobile, you can use tools and equipment for lots of things
Enterprise	Mobile, because it is a person and they can get on a plane	Mobile, entrepreneurs usually have their hand in more than one job at a time
Land	Immobile, because it can be hard to move resources around because of trading parties	Mobile, because basic resources can be used for lots of different products
Labour	Immobile because it can be hard to move people because they have family that would need to go as well	Immobile because they would need to retain them and that could take an couple of years