1

Resorces used to make Goods

In any country there is a finite amount of recorses.

Things produced in order to be sold

human desire > finite recorses

demand > supply

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

Induviduals	Firms	Goverment
XBox Vs PS5	quality Vs Volume	Hospital Vs School
Phone Vs Watch	Price Vs quality	Police Vs motorway

Factors Of Production

Land	Labour	Capital	enterprise
Raw materials eg wood, coal, oil.	Human recorses eg forkforce	Human made aids eg machinery, tools	Organiser of all other factors
Rent	Wages	Intrest	Profit

Mobility of Resorses

occupational mobility

Resorces can change use

Geographical mobility

Resorces 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, entprenures usally have their hand in more than one jar at a time
Land	Immobile, because it can be hard to move resorces around because of tradeing partys	Mobile, because basic resorses can be used for lots of different products
Labour	Immobile because it can be hard to more people because they have family that would need to go as well	Imobile because they would need to retain them and that could take a couple of years