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A Level Economics Topic Questions / Paper 2

Topic: 1.5 Production possibility curves

Question-1

Explain, with the help of a diagram, how an economy can in the short run and long run enjoy consumption beyond its current production possibility curve. [8]

Question-2

Show how the economic problem can be explained with the use of a production possibility curve. [8]

Question-3

Explain with the help of a diagram why production possibility curves are usually drawn with increasing opportunity costs, and show how they can be used to illustrate scarcity. [8]

Question-4

Use production possibility curves to explain the different impact on an economy of a rise in the unemployment rate and an increase in the working population. [8]

Question-5

Show the difference between a movement along, and a shift in, a production possibility curve. Explain what might cause each to occur. Use diagrams to support your answer. [8]