

# Smart Edu Hub / Smart Exam Resources

## A Level Economics Topic Questions / Paper 2

### Topic: 1.6 Classification of goods and services

#### Question-1

Explain the factors that determine whether the price elasticity of supply for a good is likely to be relatively elastic or relatively inelastic. [8]

#### Question-2

Distinguish between equilibrium and disequilibrium in the market for a good. Explain how equilibrium price and equilibrium quantity will change when there is a decrease in the supply of a product. Use a diagram to support your answer. [8]

#### Question-3

Explain how economists use the concept of income elasticity of demand to distinguish between different types of goods. [8]

#### Question-4

Explain the factors that determine whether the price elasticity of demand for a good is likely to be relatively inelastic. [8]

#### Question-5

Explain how a production possibility curve with increasing opportunity costs illustrates the consequences of a government's choice to produce more military goods. Use a diagram to support your answer. [8]