

scarcity

Choice + opportunity cost

What ?

How?

For whom?

$H + F = M$

F + G

G

Government + Market

Mixed Market Economy

- Merit
- Public
- inflation
- Unemployment
- Development
- Trade
- regulator

Rationing System = Market + Government

Need for regulation by Government

Market economy =
Mix of Gov + Market
Economy to solve
problems of
scarcity

Section 1: the big ideas!

Webnote 008

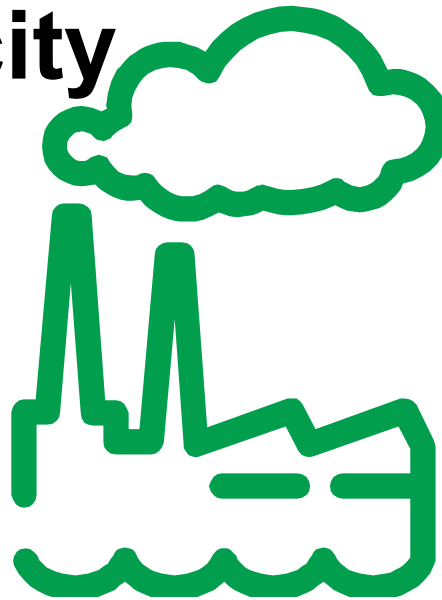
Economics
is about

Resource allocation

• **Scarcity**

• **Choice**

Opportunity cost



The **3**
resource
questions:
1. What?
2. How?
3. For whom?

Task

- Draw and label a **ppf** to show growth without development

How many uses for a ppf?

- ppf

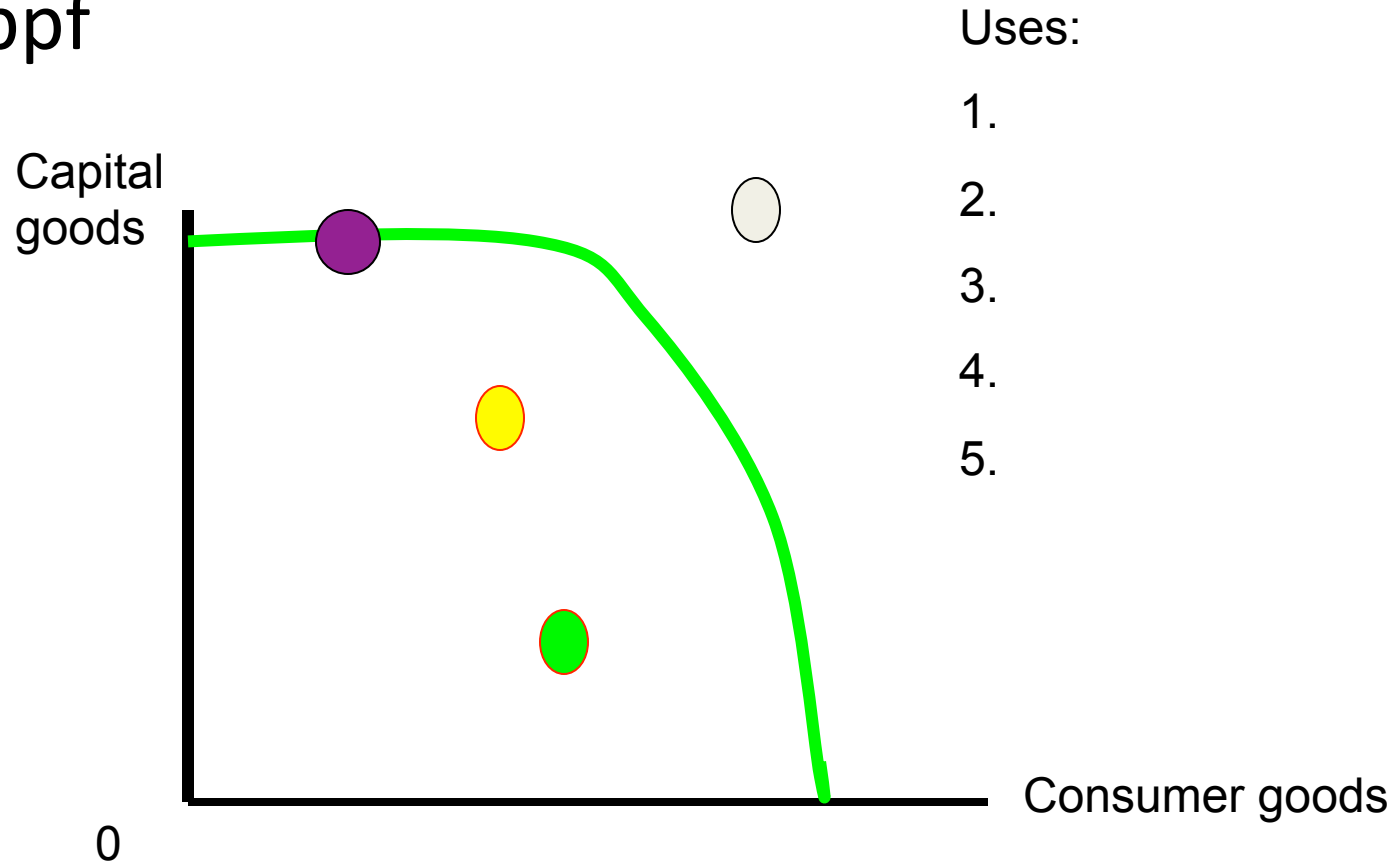
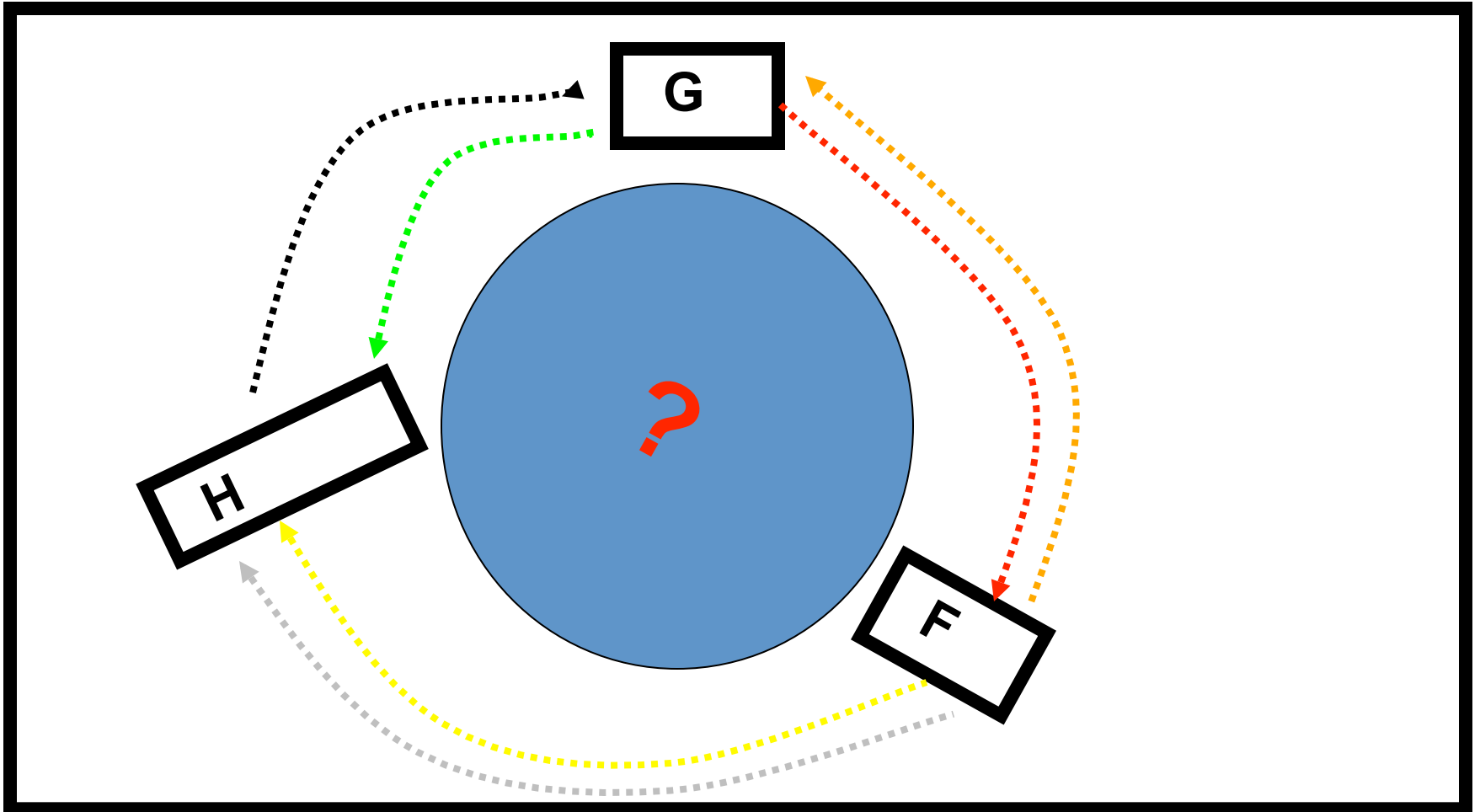


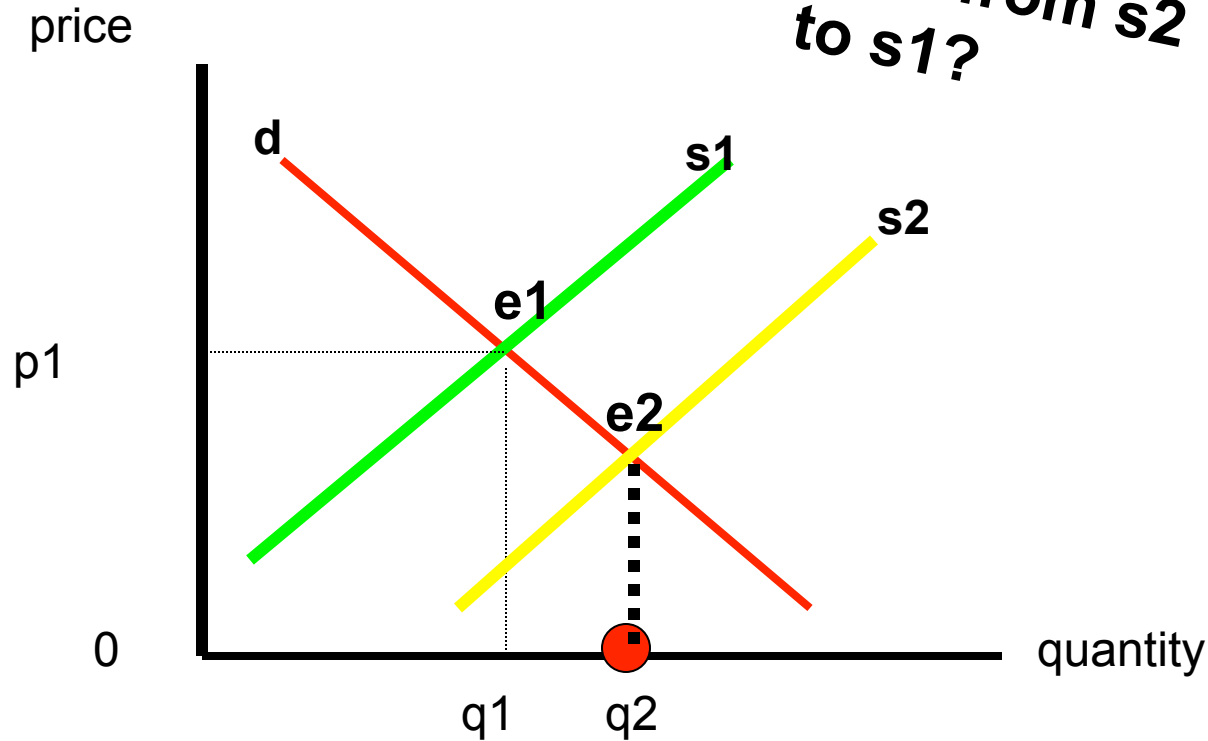
Diagram C: circular flow of income



The market allocates resources

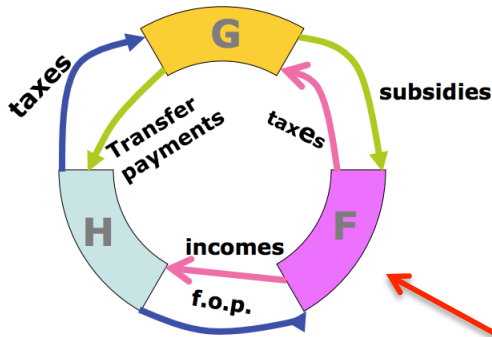
- market

Why might the supply curve shift from s_2 to s_1 ?

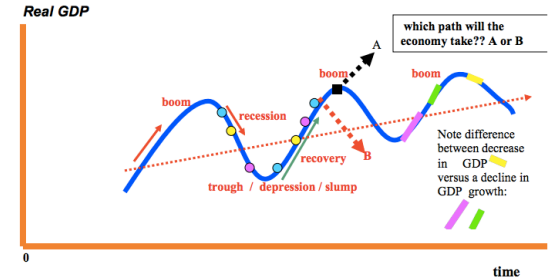


Introduction to 1.1

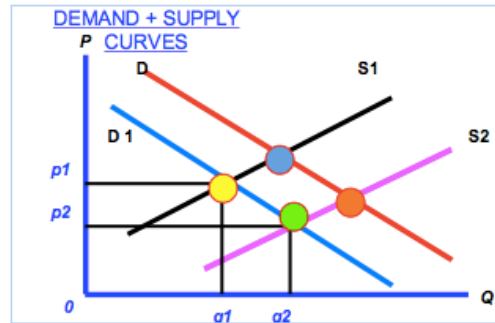
Flow of income, G+S, FoP



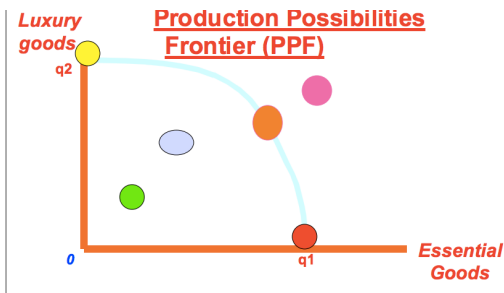
Business Cycle: Problems



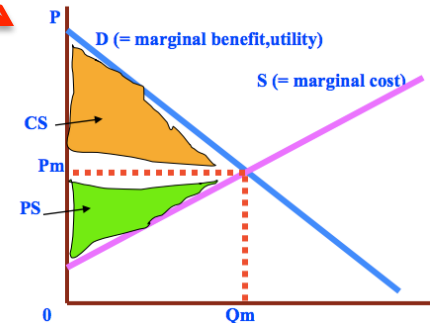
1.1 The Mixed Market System



Scarcity, growth, choice, development



Surplus: why the market is best



Section 1: the big ideas!

Have you used?

Triple A?

Access via schoology.....

Summary section 1

- Reminder deadlines for reading + notetaking + dictionary available on webnote 500 @
- <http://www.yellowsubmariner.com>