

A decorative graphic consisting of a grid of circles. The top two rows each contain three yellow circles. The third row contains three yellow circles, with the middle one partially overlapping the text. The bottom row contains one blue circle on the right side.

THE ROLE OF MARKET IN ALLOCATING OF RESOURCES

Microeconomics - year10

Agenda

Drive growth of monthly sales volume of purchases

- Multiple choice
- Essay

Be the most desirable brand



Part1-Multiple choice

1. What are the three key questions that determine how resources are allocated?

A. What, how and for whom

B. What, where and for whom

C. When, how and where

D. Where, how and for whom

Part1-Multiple choice

2. What is an advantage of the market economic system?

- A It aims for improvement in standard of living
- B It ensures the provision of national defence
- C It aims profit
- D It reduces air pollution

Part1-Multiple choice

3. What is an essential feature of a market economy?

- A. Government determine what, how and for who to produce
- B. It aims for improve the distribution of income
- C. The price mechanism is used to allocate resources.
- D. Prices are often lower, making it easier for everyone in the country to access goods and services.

Part1-Multiple choice

4. What is one advantage of a market economy in resource allocation?

- A. It ensures that all consumers can afford all goods and services
- B. It sets prices based on production costs
- C. It ensures that goods provide positive externality to third parties
- D. It reflects the relative demand for goods and services

Part1-Multiple choice

5. What are features of a market economy?

	private ownership of factors of production	government allocation of production	public ownership of factors of production
A	No	Yes	No
B	No	Yes	Yes
C	Yes	No	No
D	Yes	Yes	Yes

Part2-Essay

1. Identify two characteristics of market economy [2]
2. Explain two important decisions involved in resource allocation.[4]
3. Analyse the advantages of a market system [6]

The End

