

Resources are Scarce

(1)_____ are important because they are used to make goods, like television, cars & houses and to provide (2)_____, like banking, insurance and transport. All of these resources are (3)_____. Any resources that are not scarce are called (4)_____. Wants are (5)_____ but the resources used to produce the goods and services to satisfy these wants are (6)_____. That is, there is (7)_____. (8)_____ is necessary because scarce resources can be used in lots of ways to make different goods and services. The real cost of choosing one thing and not another is known as the (9)_____.

Choice free goods limited opportunity cost Resources scarce scarcity
service unlimited

Key

Resources are Scarce

Resources are important because they are used to make goods, like television, cars & houses and to provide service, like banking, insurance and transport. All of these resources are scarce. Any resources that are not scarce are called free goods. Wants are unlimited but the resources used to produce the goods and services to satisfy these wants are limited. That is, there is scarcity. Choice is necessary because scarce resources can be used in lots of ways to make different goods and services. The real cost of choosing one thing and not another is known as the opportunity cost.