

## What is Economics? Research Task

Please answer the questions below.

As this is a new subject, do not worry if you think your answer is not fully correct. But **answer all of the questions**.

Make sure your answers are clear enough for you not to have to refer back to the question sheet again.



You should use the following websites:

- <https://www.tutor2u.net/economics/reference/as-microeconomics-study-notes-topic-listing>

In particular, look at the sections on: 'Scarcity and Choices', 'Economic Resources' and 'Positive and Normative Statements'.

## Questions

1. What is economics? Find some definitions.
2. What is the difference between 'wants' and 'needs'?
3. What is 'the basic economic problem'?
4. What are the four 'factors of production'?
5. What is meant by 'scarcity'?
6. Why is choice necessary?
7. Opportunity Cost:
  - (a) Define it
  - (b) Give an example
  - (c) Why is it important?
8. With the help of examples, distinguish between:
  - (a) economic and free goods
  - (b) positive and normative statements
  - (c) microeconomics and macroeconomics
9. Is economics an art, a science or a social science? Explain why it is classified in this way.
10. Why do economists disagree?
11. What is an economic model?
12. Write down 5 skills an economist should have, or should try to acquire!



Answer Q13 using this website

<http://whystudyeconomics.ac.uk/your-ambitions/why-study-economics-2/>

13. How will studying economics help me in future?