

# ECONOMICS

OCR

## 100 Worksheets for GCSE 9-1

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## 1.2 Costs and benefits of economic choices

### 1. Missing words

Making choices is at the heart of economics. Many choices are a simple either ... or between two comparable factors, such as buying a hybrid or an electric vehicle. But some need \_\_\_\_\_ thinking that risks being a blind guess of where society is headed. Toyota – leaders in hybrid vehicles – thought electric vehicles were a mistake. They invested instead in hydrogen-fueled cars. Late in the day they realised they had misjudged customer \_\_\_\_\_, and rushed to catch up with 'EVs'. Governments can also struggle to make the right decision. London's Elizabeth Line was decided on in 2005, yet opened only in 2022. In the meantime the Covid pandemic had slashed the daily demand for commuter trains in London. The multi-£billion cost was probably poor use of \_\_\_\_\_ money. But who could have known back in 2005? **Missing words: demand, taxpayers', long-term**

### 2. Multiple Choice Question

- 2.1 Identify **one** factor that will have a broadly positive social impact as well as being good economically.
- a) Opening a new coalmine in Cumbria, to supply the steel industry in the UK and abroad
  - b) Launching a new brand of potato crisps, which research suggests will sell well
  - c) Cutting government financial support for home insulation, to help cut the budget deficit
  - d) Government investment in companies building more charging points for electric vehicles
- 2.2 Give **one** reason why a business might focus on its profits rather than the sustainability of its activities.
- a) Because it wants to focus on all its stakeholders
  - b) Because that might fit best with the shareholders' objectives
  - c) Because it's a private limited company and therefore has to listen to outside shareholders
  - d) Because there's no trade-off between sustainability and profit

### 3. Data Response Question

9 rolls of incredibly soft and sustainable bamboo toilet roll that is kind to you and the planet. Bamboo grows 20-30 times faster than trees, produces 35% more oxygen and absorbs 35% more carbon dioxide, making it a much more sustainable and eco-friendly material. It is naturally anti-bacterial and anti-fungal, odour resistant and hypo-allergenic so it is great for sensitive skin. Cheeky Panda uses waste bamboo to make luxury toilet tissue, giving farmers extra income and creating job opportunities for local workers while offering a more sustainable, healthier toilet paper alternative.

Packaged in recyclable paper. Made in China.

Price for 9 roll pack: Cheeky Panda £6.99; Andrex £5.60



3.1 Outline one reason why customers might be willing to pay a higher price to buy Cheeky Panda tissue.

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3.2 Explain the importance of 'Made in China' for customers who care about environmental sustainability.

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## 1.2 ANSWERS: Costs and benefits of economic choices

1. longterm ... demand ... taxpayers'

2.1 d)

2.2 b)

3.1 They may be convinced that they're making a principled decision to choose environmental superiority over ordinary factors such as price and softness.

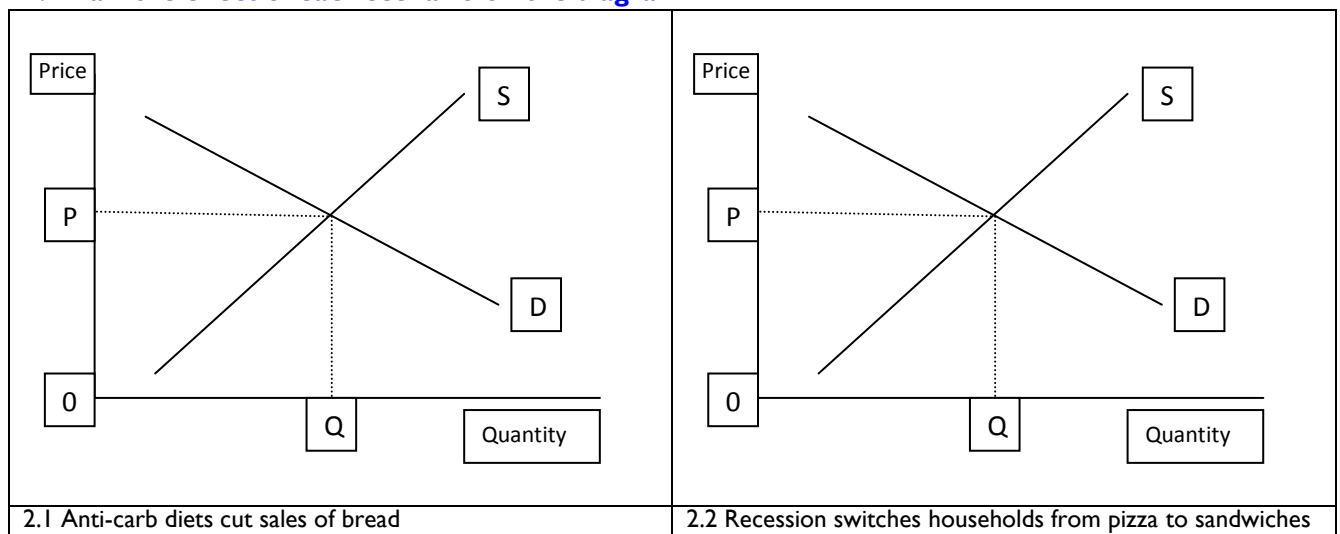
3.2 Even if all the claims are true about the superiority of bamboo over paper, there are serious issues about transport emissions. Being transported 11,865 nautical miles (I just looked it up) leaves a carbon footprint of significance – possibly enough to outweigh the other benefits.

## 2.2 Demand: shifts in the curve

### 1. Fill in the gaps

Movement along a demand curve happens when supply conditions change. Shifts in the demand curve occur because demand conditions change. A leftward shift means that people want \_\_\_\_\_ of an item, whatever its price. This can occur when a trendy brand falls out of \_\_\_\_\_, when a company cuts its advertising \_\_\_\_\_, or when the \_\_\_\_\_ slips into recession. Or there could be a rightward shift in the demand curve if the product becomes more fashionable, or a \_\_\_\_\_ withdraws from the market. **Words from: spending, economy, competitor, more, fashion, less**

### 2. Draw the effect of each scenario on the diagram



### 3. What happens to the demand curve for orange juice in each of these cases? (circle the answer)

- |  |      |       |           |
|--|------|-------|-----------|
| 3.1 The UK population grows by 1%.                                   | Left | Right | No change |
| 3.2 The UK slides into recession, leading to a fall in real incomes. | Left | Right | No change |
| 3.3 The price of apple juice rises.                                  | Left | Right | No change |
| 3.4 There's a large fall in the price of orange juice.               | Left | Right | No change |
| 3.5 Changes in fashion make tastes move towards this good.           | Left | Right | No change |

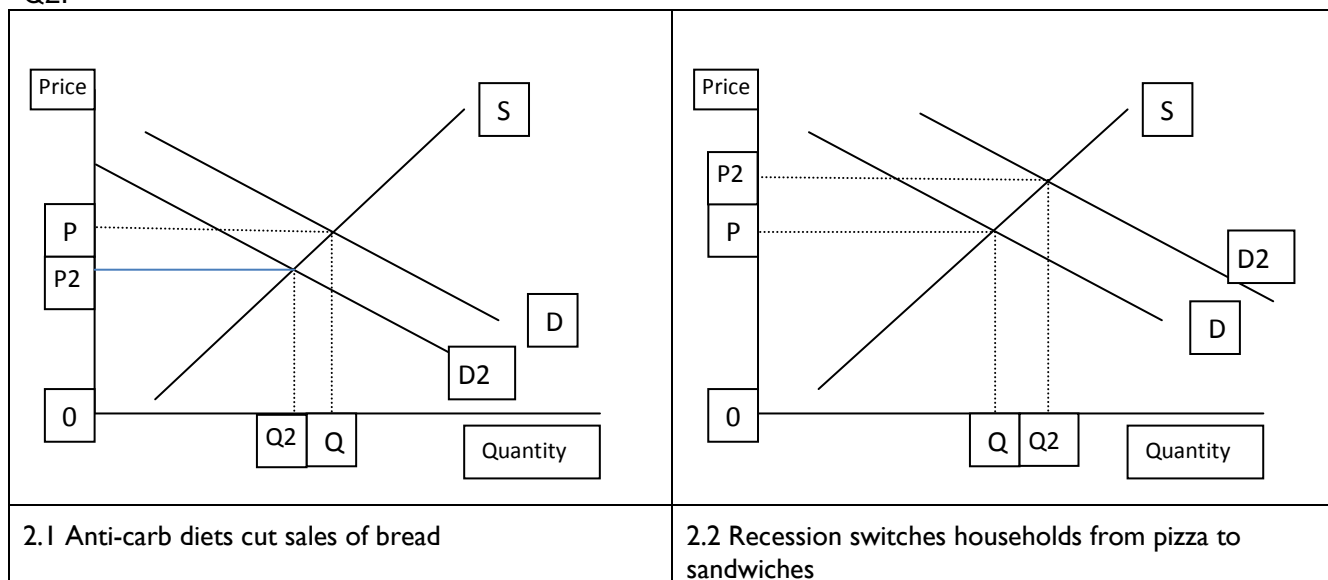
### 4. Answer these three multiple choice questions

|     | Question   |   | Possible answers   | Key |
|-----|--|---|--|-----|
| 4.1 | Which of the following would you expect to shift the demand curve for pencils to the right?          | A | An increase in the price of erasers.                     |     |
|     |  | B | A fall in the price of pens.                             |     |
|     |  | C | A rise in incomes, if pencils are normal goods.          |     |
| 4.2 | Which of the following would you expect to shift the demand curve for mobile phones to the left?     | A | A sharp rise in the price of mobile phones.              |     |
|     |  | B | A sharp rise in the price of memory cards.               |     |
|     |  | C | Successful ad. campaigns by Samsung & Apple              |     |
| 4.3 | Which of the following would <b>not</b> shift the demand curve for tablet computers – left or right? | A | A change in the price of tablet computers                |     |
|     |  | B | A change in the price of lightweight laptop computers    |     |
|     |  | C | An acceleration in an economic upturn within the country |     |

## 2.2 ANSWERS: Demand: shifts in the curve

1. less... fashion ... spending ... economy ... competitor

Q2.



3.1 Right

3.2 Left

3.3 Right

3.4 No change

3.5 Right

4.1 C

4.2 B – more expensive complement

4.3 A