**GROUP 1**

A firm has decided to dedicate more resources to beer than corn.

A firm is not fully utilising all resources available to them.

All resources devoted to production of capital goods, instead of consumer goods.

All resources devoted to production of consumer goods, instead of capital goods.

**GROUP 2**

A firm producing both washing machines and kettles has improved the efficiency of their production methods, so that a higher output can be produced using the same amount of resources.

Whilst comparing beer and corn - A new technique has been developed to produce more beer using the same amount of resources.

**GROUP 3**

Place capital goods and consumption goods on the axes and use the PPF to demonstrate that **economic growth** has occurred.

How does the relationship between capital and consumer goods make predicting the future PPF curve difficult? – Draw possible future outcomes.

**GROUP 4**

There is a 50-50 proportion of resources devoted to the production of capital/consumer goods **but** only 50% of resources within the economy are being employed.

Long-run affect of machinery becoming old and useless.



