

Topic 1.1: Scarcity

LO: MOD-1.A | Skill: 1.A | Portfolio: Advisor Memo 1

EXIT TICKET — ANSWER KEY

Topic 1.1 — Scarcity

1. Answer: C

The oven is capital — a manufactured aid to production. **Common wrong answer:** (A) confuses the building/land with the tool. Capital is produced and then used to make other goods.

2. Answer: B

A shortage is temporary and tied to price: at the current price, quantity demanded exceeded quantity supplied during the storm, then supplies returned. Scarcity (A, C) is the permanent background condition, not a one-week event.

3. Sample full-credit response (3 pts)

Strong response (3/3): Even a wealthy government has a finite budget and finite resources, while the things citizens want are effectively unlimited. So it still must make trade-offs — funding one program means another goes unfunded. More wealth raises the limit but never erases it, so choices remain.

Scoring rubric (3 pts)

- 1 pt: resources/budget are finite even when large.
- 1 pt: wants are unlimited (or grow with wealth).
- 1 pt: correctly uses 'trade-off' to mean giving up one option to fund another.