Year 10 | Economics

IGCSE-pathway diagnostic assessment • Scarcity, markets and economic decision-making

Student name: _____ Date: _____

Suggested time: 60 minutes. Show working and explain your reasoning. This is an independent diagnostic, not an official examination paper.

1. Define scarcity and opportunity cost, using a school budget decision as an example. [6 marks]

2. Explain the difference between a movement along a demand curve and a shift of the demand curve. [7 marks]

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3. A café raises its price from £4 to £5 and daily sales fall from 100 to 80. Calculate percentage change in price and quantity demanded using initial values. [7 marks]

4. Explain two factors that could shift supply of wheat to the left. [6 marks]

5. A government considers a tax on sugary drinks. Analyse one possible benefit and one possible unintended consequence. [9 marks]

6. Discuss whether an increase in national income necessarily means that everyone’s living standards improve. [10 marks]

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Parent / Tutor Guide | Economics

Keep this section separate from the student during the assessment. The marks are diagnostic prompts, not an official IGCSE mark scheme.

Suggested responses and assessment notes

1. (6 marks) Scarcity: finite resources vs unlimited wants; opportunity cost: next best alternative forgone.

2. (7 marks) Price change causes movement along; non-price determinants shift whole demand curve.

3. (7 marks) Price +25%; quantity −20%; optional elasticity magnitude 0.8 using initial-base method.

4. (6 marks) Higher input costs, drought, regulation, disrupted logistics.

5. (9 marks) Health/revenue benefits vs regressive effects, substitution, employment impacts; causal chain.

6. (10 marks) Income distribution, inflation, environmental costs, access to services and non-monetary welfare matter.

What to observe

Look for subject knowledge, accuracy, use of appropriate terminology, clarity of reasoning, interpretation of command words, and ability to justify or evaluate when asked.

Suggested diagnostic approach

Record which questions were attempted independently, which required prompts, and whether difficulties arose from concepts, literacy, calculations or time management. Plan follow-up teaching around recurring misconceptions.

Curriculum note

This is a general Year 10 IGCSE-oriented diagnostic. It is not endorsed by Cambridge, Pearson Edexcel or the IB. Topic order and examination demands differ by board and school; adjust to the student’s actual specification.

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