**How is your AS micro revision going**

1. Can you explain what a market is?
2. Can you explain who economic agents are and what they are trying to achieve?
3. Can you explain what opportunity cost means?
4. What is the difference between an economic and a free good?
5. What are the benefits of specialisation and the division of labour?
6. Can you distinguish between normative and positive statements?
7. Do you know what productivity and productive efficiency are?
8. What do you understand by the terms economies and diseconomies of scale?
9. Are you aware of what makes demand effective?
10. Explain what causes an expansion and a contraction of supply/demand.
11. Do you know what factors cause demand and supply curves to shift?
12. What is the link between price and demand and supply?
13. Can you explain what is meant by a market that is in equilibrium.
14. Are you able to explain what a shortage/excess of supply/demand is?
15. Can you explain the link between demand/supply, price and revenue?
16. Are you able to calculate and interpret elasticities?
17. Can you explain the factors that influence how price/income elastic a product is?
18. Can you explain what the term ‘perfectly’ means in relation to elasticity?
19. Can you explain the impact of elasticity on revenue?
20. Can you explain what is meant by the term normal and inferior goods?
21. Can you explain what is meant by the term market forces?
22. What are the three functions of prices? (explain what we mean by each of them)
23. Explain under what circumstances the market mechanism will be able to efficiently allocate resources.
24. Explain what is meant by consumer and producer surplus.
25. Explain joint supply, composite demand, derived demand.
26. Explain what is meant by the term market failure.
27. Explain why monopoly is a form of market failure.
28. Explain what externalities are.
29. Explain what is meant by ‘equity’.
30. Explain what merit goods are and why they would be underprovided by the free market.
31. Explain what demerit goods are and why they would be overprovided by the free market.
32. Explain what is meant by the term ’margin’
33. Explain why public goods are an example of a missing market. Can you provide any other example of a missing market?
34. Explain what public goods and quasi public goods are.
35. What do you understand by the term ‘inadequate information’?
36. Explain how factor immobility can result in market failure.
37. Explain how regulation can be used in relation to demerit goods, monopoly and negative externalities.
38. Explain how a system of pollution permits works.
39. Explain the main forms of government failure.
40. Explain why commodity prices can be unstable?
41. Explain why a lack of equity is considered to be market failure.
42. Explain how indirect taxes and subsidies can be used.
43. Explain how maximum and minimum prices are used.
44. Explain how a buffer stock scheme works.