
Contents

Introduction	i
Chapter 1: Understand marginal analysis and the behaviour of firms	1
Covers Achievement Standard 90629 (Economics 3.1)	
Chapter 2: Describe an economic problem, allocative efficiency and market responses to change ...	11
Covers Achievement Standard 90630 (Economics 3.2)	
Chapter 3: Describe market failure and government interventions to correct market failure	27
Covers Achievement Standard 90631 (Economics 3.3)	
Chapter 4: Describe aggregate economic activity	35
Covers Achievement Standard 90632 (Economics 3.4)	
Chapter 5: Scholarship Exam Questions	47
Answers and explanations	105