

**Q 1.**There's a saying that, ' there is no such thing as a free lunch'.

Can you explain the meaning of this statement as an economist might ?

**Q2.**Draw a Production Possibility Frontier (PPF) curve and illustrate how the curve changes under each of the following scenarios:

For your first PPF graph ,use the following :

Good X	Good Y
0	100
20	96
40	84
60	64
80	36
100	0

- **Scenario A:** Immigration increases the labor force and raises production capacity.
- **Scenario B:** A negative economic shock reduces the amount of resources available for production.
- **Scenario C:** A new technology improves efficiency and increases output.
- **Scenario D:** An early retirement law reduces the available workforce, lowering production capacity.

