

Grade 10 :

**Economics** : Revise chapter 1 and 2; and solve the following exercise :

*Document:*

Raji is a canned food producer. He decided to produce 500 cans. Raw material cost him 2000\$ and their transportation 500\$. He also paid a 200\$ salary to each of his 8 employees; 500\$ for rent; and 350\$ for the electricity. In order to ensure the distribution, Raji made a publicity campaign for 800\$ and 400\$ to distribute the products in stores.

*Formula cheat list:*

Cost of purchase = cost of the raw material + transportation fees

Cost of production = cost of purchase + production fees (salaries, electricity...)

Cost of return = cost of production + distribution fees

Profit or benefit = Revenue of production – Cost of return

Revenue of production = quantity of production x unit selling price

a) *Using the above data, calculate:*

- The cost of purchase
- The cost of production
- The cost of return
- The unit selling price if Raji wants to realize a profit of 30%

b) Complete the following diagram and then write a phrase, using the following terms: Consumption goods; Human Needs and Wants; Production; Production goods.



c) Divide the following items in three categories (final consumption goods; intermediate consumption goods ; durable production goods):

The carrots purchased by “al Wadi el Akhdar”; cake molds in a bakery ; Mrs. Khoury’s washing machine ; a robot in a car factory ; the cooking oil in my mom’s kitchen ; industrial iron ; a tractor ; the water used by Coca-Cola.