

Name _____

Chapter 1-1: The Foundation of Economics

1. A _____ is a graphic representation of all possible combinations of two goods that an economy can produce in a specific period of time.
2. Price is the most commonly used method to _____ available goods and resources.
3. _____ include anything used to produce goods or services.
4. _____ exists when our wants are greater than the resources available to satisfy those wants.
5. The _____ is considered when you make any choice because you are giving up the valued alternative.
6. Explain that because scarcity exists, people must make choices

7. Is the opportunity cost of attending high school the same for all students? Explain your answer.

8. Choose 1 of the following activities to complete (5 points):
*The remainder are extra credit for 2 points a piece.
 - A. List all of your opportunity costs for the day (at least 10).
 - B. Although Earth is more than 70% water, water is scarce in many parts of the world. What choices might have to be made if water were scarce in you area?
 - C. Read the feature on Chris Rock (pg. 9) Compare the opportunity cost of college for Chris Rock with the opportunity cost of attending college for yourself. How might these differ or be the same?