NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ PERIOD: \_\_\_\_ DATE: \_\_\_\_\_\_\_\_\_\_\_\_

**Unit 1 Practice**

Production Possibilities and Opportunity Cost

1. Fill in table below in relation to graph



|  |  |
| --- | --- |
| Jeans | Cheeseburgers |
| 10 |  |
|  | 10 |
| 8 |  |
|  | 30 |
| 0 |  |

Answer the following using the table and graph above.

1. If the original choice was Letter C, what is the quantity of each item?
2. If the choice is move from letter C to letter B, is there more or less cheeseburgers? How many?
3. At which point is there no jeans and at which point is there no cheeseburgers?
4. Why would you not want to be at point G?
5. What would have to happen to get to point H?
6. What is the opportunity cost of moving from point C to E?
7. What is the opportunity cost of moving from point D to A?

Answer the following:

1. Choose five different choices of things you could do when you get home from school. Rank them from 1st to last (5th)
2.
3.
4.
5.
6.
7. Which item is your opportunity cost to your top choice?

Use the space below to create your own Production Possibilities Curve.

1. Choose two items that you would typically purchase (it’s best to use items that you would buy more than one, i.e. not iPhone, tv’s, etc.). Fill in the table below with 5 different points and then plot them on the provided graph. Be sure to label both axis’.



|  |  |
| --- | --- |
| Item A: | Item B: |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |