

SECTION

**2**

RETEACHING ACTIVITY

**Economic Choice Today:  
Opportunity Cost**

**A. Analyzing Economic Situations**

For each situation, identify the incentive or utility for each option and the opportunity cost of the final choice. Write your answers on the lines provided.

1. You have the choice of two different summer jobs. Job A and job B would have you working similar hours. Both require you to work some evenings and every weekend. Job A will pay you significantly more money. Job B will give you experience that relates directly to a career you are interested in pursuing. You decide to take job B.

Incentive(s) for job A \_\_\_\_\_

Incentive(s) for job B \_\_\_\_\_

Opportunity cost of your choice \_\_\_\_\_

2. You are taking your brother to a pizza restaurant. You have enough money to order one extra-large cheese pizza and two drinks or two individual pizzas of your choice and drinks. If you order the two individual pizzas, you will have enough money left to get small ice cream cones for dessert. If your order the extra large pizza, you'll have leftovers for lunch tomorrow. You decide to order the individual pizzas.

Utility of the individual pizzas \_\_\_\_\_

Utility of the extra-large pizza \_\_\_\_\_

Opportunity cost of your choice \_\_\_\_\_

3. You are graduating from high school this spring. You have not done well in math. You are planning to go to the local state college in the fall. You will have to take a remedial math course. It will cost \$400 to take the course at college this fall. Your high school is offering a similar course. If you pass, you won't have to take the college course. The tuition is free for the high school course. If you take the high school course, you will have to work part-time at your regular job because you will be in class in the mornings. You decide to take the course at your high school.

Incentive(s) for taking the course at your high school \_\_\_\_\_

Incentive(s) for taking the course at college \_\_\_\_\_

Utility of the high school course \_\_\_\_\_

Utility of the college course \_\_\_\_\_

Opportunity cost of your choice \_\_\_\_\_