Wilf Csaplar Jr.   Economics 162   Homework #1   Due 01/23

Do not write your name on the assignment. Write your name only on the back of this sheet of paper and staple your answers on the front of this sheet of paper. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to follow these directions will cost you 1 point on the assignment and failure to type it will cost you 10 points.

1) (5 points each) Briefly explain each answer.
A) What is the value of Cars when TV =5?
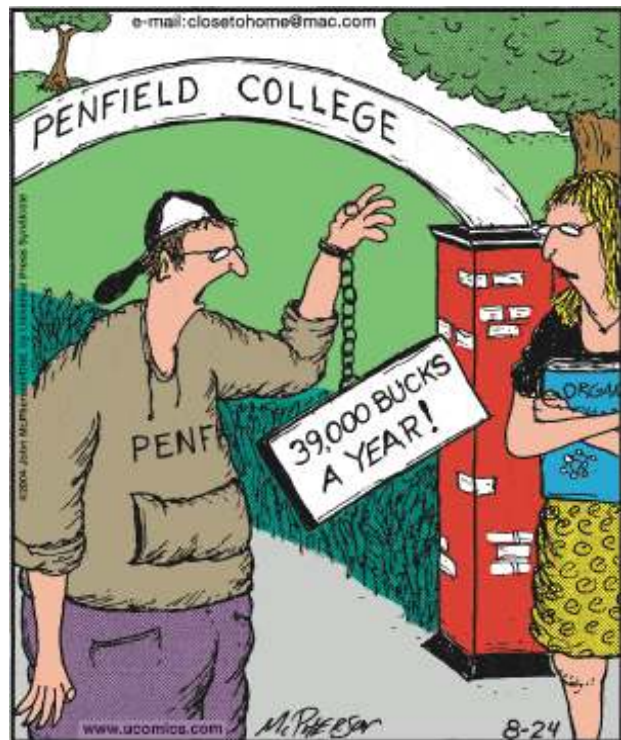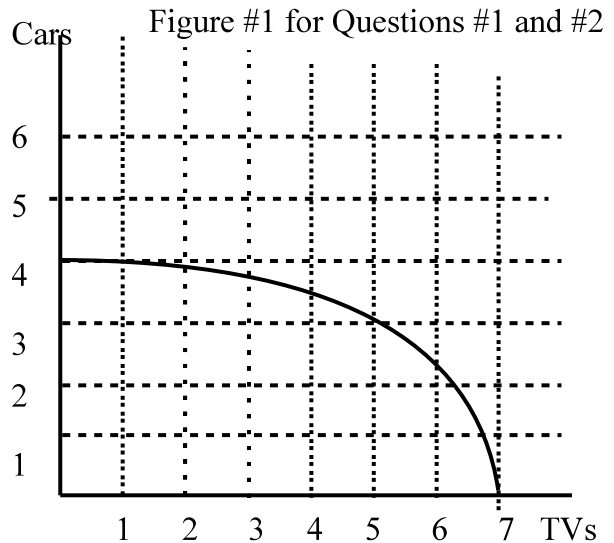B) What is the approximate slope when TV =3?
C) What point has a slope of -2?

2) (15 points) Given the graph for question #1, how do you see the opportunity costs of televisions? Explain your answer.

3) (20 points each) Illustrate the following events on the PPF (PPC) for oranges vs. computers. Explain the movement(s) of the curves. Use a separate diagram for each part.
A) A new highspeed chip is developed.
B) A new fertilizer is invented.

4) (20 points) Assume the $39,000 in the comic strip by John McPherson is the value of the opportunity costs of a year at Penfield College. If you were his father, what things would you have included in calculating the number? Explain your logic. (More of his comics can be found at http://www.closetohome.com/.)

5) (5 points) Which part of my web page, http://www.bethanywv.edu/wcsaplar/ do you think will be most helpful? Why? Is anything missing that you would like to see?

6) (5 points) Which part of the department's web page, http://www.bethanywv.edu/economics/ do you think will be most helpful? Why? Is anything missing that you would like to see?

Figure #1 for Questions #1 and #2

"My dad is making me wear this until I get my GPA over 2.2."