

Place your name on the back of this sheet of paper and nowhere else. Staple your answers face up on the front of this sheet of paper. Failure to follow these directions will cost you 1 point. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to type it will cost you 10 points. If you use double-sided printing or print on the back of scrap paper, I will give you one additional point.

1) (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? Note, I am asking how the father calculated the number – not the uses of the money. Therefore, do not say, “He could have bought a new car.” Explain your logic and include at least four items. (More of his comics can be found at <http://www.closetohome.com/>.)

2) (20 points) Illustrate the effects of a new fertilizer on a PPF for corn vs. computers. Explain why the curve moved as drawn.

3) (20 points) A few years ago, tickets to Ozzfest were free in 2008. Was it free to go to the concert? Explain your logic.

4) (20 points) Illustrate the effects of an increase in the population on the PPF for snowmobiles versus hamburgers. Explain why the curve moved as drawn.

5) (20 points) Illustrate the effects of the flooding in Pakistan which destroyed much of the land which was used for growing wheat on the PPF for wheat versus candles. Explain why the curve moved as drawn.



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