

Do NOT write your name anywhere. (Canvas will tell me who turned in the assignment.) All answers must be typed, except for mathematics and graphs. Take pictures of your written answers and use your own software or <https://pdfcandy.com/> to create a single PDF size A4. (pdfcandy.com will convert many file types to PDF, resize PDF, merge PDF and many other things for free. However, Apple phones may require using [CamScanner](#) before using pdfcandy.com.) Failure to follow these directions will cost you 10 points.

1) (10 points) The news reporters normally try to be objective and make only positive statements (unless they are explicitly giving an opinion). However, there are decisions involved in the news broadcast which are inherently normative. Give an example and explain why it is a normative decision. Hint: I am looking for a decision which is being made when not giving an opinion.

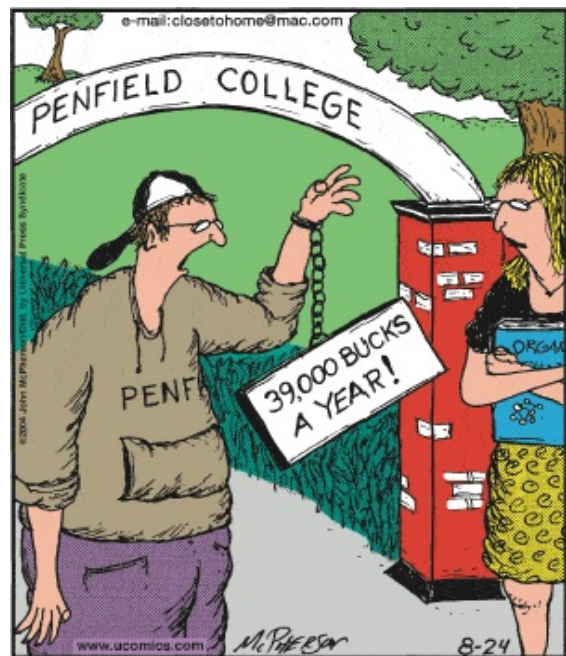
2) (20 points) Assume the \$39,000 in the comic strip by John McPherson is the value of the opportunity costs of a year at Penfield College. If you were his father, what things would you have included in **calculating** the number? Note, I am asking how the father calculated the number – not the uses 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/>.)

3) (15 points) Draw the PPF for cars and bananas. Illustrate the effects of a new fertilizer. Explain why the curve moved as drawn.

4) (15 points) Draw the PPF face masks and hand sanitizer. Illustrate the effects of COVID-19. Explain why the curve moved as drawn. This question is harder than it appears. There are multiple correct answers, depending upon how you argue.

4) (20 points) State and prove the Law of Comparative Advantage. What does that imply about whether we should restrict imports? Explain your logic.

5) (20 points) Draw the supply and demand diagram for blueberries. Illustrate the effects of people learning that blueberries can really improve your health. Explain why the curve(s) moved as drawn. What happens to the price and quantity sold of blueberries?



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