Assignment | Unit 1

The 10 Principles of Economics

1. Your Assignment should have a cover sheet with the following information:
   - Your Name
   - Course Number
   - Section Number
   - Date

2. You may submit your Assignment using the Unit 1 Assignment template.

3. Respond to the questions in a thorough manner, providing specific examples of concepts, topics, definitions, and other elements asked for in the questions. Your paper should be highly organized, logical, and focused.

4. Required Format:
   - Correct APA formatting for answers (cover sheet with name, course number, section number, unit number, date, answers double spaced, in Times New Roman 12-point font). (Review the APA formats found in the Writing Center.)
   - Correct citations within answers
   - Standard English with no spelling or punctuation errors
   - Correct references at the bottom of the last page

Assignment
Each scenario below practices one of the 10 Principles of Economics. Match the principles to the appropriate scenario listed and justify your answer. Each principle will only be used once. Refer to Chapter 1 for the details on the principles of economics. Also, watch the Chapter 1: “Why Does Economics Matter?” video.

10 Principles of Economics:
1. People Face Trade-offs.
3. Rational People Think at the Margin.
4. People Respond to Incentives.
10. Society Faces a Short-Run Trade-off Between Inflation and Unemployment.
Scenarios
1. Even though generally more expensive, energy efficient appliances and vehicles sell better with a rebate or tax credit.
2. Airlines will charge a fee for each additional suitcase you may want to take with you on a trip.
3. At a restaurant, when ordering an entrée, you get to choose two side dishes from a group of five side dishes.
4. Instead of growing your own food and making other necessities you decide to specialize in a particular profession and purchase things, even things that you would have not been able to make yourself.
5. There is an incredible variety of goods and services available at many different price points even though no single entity or government is deciding or dictating the market what to do.
6. In its effort to limit the effects of rising inflation, the Federal Reserve System reduces the quantity of money in the economy, but sees an increase in unemployment
7. While consuming the same amount of farmers’ labor and capital the newly developed hybrid crops achieve twice the yields of the previous crops.
8. You have noticed that the same amount of money buys you fewer goods and services than it did a year ago.
9. You worked for extra pay on a holiday and therefore missed out on your neighbor's’ barbeque.
10. Two major suppliers of powdered baby food formula are challenged by government on grounds of price fixing.

Directions for Submitting Your Assignment
Before you submit your Assignment, you should save your work on your computer in a location and with a name that you will remember. Make sure your Assignment is in the appropriate format (Microsoft Word®), then, when you are ready, you may submit to the Dropbox.

<table>
<thead>
<tr>
<th>Unit 1 Assignment: The 10 Principles of Economics</th>
<th>Points Possible</th>
<th>Points Earned</th>
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</thead>
<tbody>
<tr>
<td>Correct matching and explanation for each question is worth 3 points.</td>
<td>30</td>
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<tr>
<td>Writing Style, Grammar, and APA Format</td>
<td>5</td>
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<td>Total</td>
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