

Macroeconomics week

[Economics](#), [Macroeconomics](#)



There is no minimum or maximum number of Ass that must be given out for this class. It is not a first come, first serve basis. There is no money involved in buying your grades and grades are not Macro Economics Week 1 By Bator out to those that work for them. Those that work harder get better grades than those that do little to no work at all. If they were rationed according to the teachers likes and dislikes, there would be a lot of bribing and illegal activities to get the teachers favor. Money and sex has gotten a lot of people in trouble and will continue to do so in the future. . A restaurant offers an "all you can eat" lunch buffet for \$10. Shawn has already eaten three servings, and is trying to decide whether to go back for a fourth. Describe how Shawn can use marginal analysis to make his decision. His decision to go back for more is based upon marginal decision-making processes. If he goes for the fourth plate, he is wondering if it is worth it. Is it worth it for the price? Is the food quality good for another plate? Is the public perception of his fourth plate worth it? Will his health be affected with a fourth plate?

The payment has already been made in the beginning covering the "all you can eat". Now, he just has to weigh in all of the other aspects of his decisions so far and figure out what is actually in his best interests. Chapter 2-6, 7, 13 6. If you have a private-ownership right to something, what does that mean? Does private ownership give you the right to do anything you want with the things that you own? Explain. How does private ownership influence the incentive of individuals to a) take care of things, b) conserve resources for the future, and c) develop and modify things in ways that are beneficial to others?

Explain. A private-ownership right is basically when someone owns something that is not shared by others. He/she can do anything they want to their property as long as it is legal and does not infringe upon the property or rights of another. They can rent, sell, barter, take loans out against their property and reap all of the benefits from it. It is theirs to use until they either lose it or sell it. How can it be lost if they own it? Don't pay taxes on your property and the federal government will take your property away.

You are obligated to do what is right legally to keep private-ownership rights. A wooded property that is privately owned can be handled different ways. A conservative approach would be to not take down all the trees all at once. One would also not open up a strip mine there are lay waste to the property without some plan to reclaim it later on once the work was done. If one practices good ownership principles and handles it professionally and within consideration of others, the appropriate level of ownership is attained. 7.

What is the law of comparative advantage?

According to the law of comparative advantage, what should be the distinguishing characteristics of the goods a nation produces? What should be the distinguishing characteristics of the goods the nation imports? How will international trade influence people's production levels and living standards? Explain. The law of comparative advantage states that the total output of a group of individuals, an entire economy, or a group of nations will be greatest when the output of each good is produced by the person (or firm) with the lowest opportunity cost for that good.

A distinguishing characteristic for a nation would be for a nation to produce what they are good at. Vietnam, Taiwan, Korea and others would be for the clothing manufacturing industries. Japans' claim would be for electronics.

Area they specialize in. The comparative advantage would be to manufacture those areas and use them to the fullest of their abilities.

Imports should complement what is being exported or fill a need that is not available locally. If the US produces the designs for clothing, the material is made in Vietnam and is assembled in Taiwan, the comparative law is seen.

Each country does what they do best and plays in favor for other nation's strengths. Third world nations benefit the most because their cost of living standard will increase as more business opportunities arrive in their nation.

13. Two centuries ago, there were more buffalo than cattle in the United States. Even though millions of cattle are killed for beef consumption each year, the cattle population continues to grow while the buffalo are virtually extinct. Why? Supply and demand. Two centuries ago, Native Americans and settlers were the main users of buffalo.

Once the cattle barons moved out west with their livestock, the demand of the beef increased. As more and more time passed, the cattle required more and ore area for them to graze on. This increase came to the decrease of buffalo areas and herd size. The buffalo were hunted to almost extinction for this very reason. Sheep ranchers were forced out of business as well from the cattle barons. Beef is a very important industry in the Midwest, especially in Texas, and they depend on the demand for their products. As long as

there is a demand, they will ensure the supplies either meet or exceed what is desired.