

Opportunity cost essay sample

[Economics](#)



**ASSIGN
BUSTER**

Apa sih opportunity cost? Untuk yang pernah belajar ekonomi pasti kenal baik dengan istilah ini, tapi buat yang lain, opportunity cost is :

“...the cost of something in terms of an opportunity foregone (and the benefits that could be received from that opportunity), or the most valuable foregone alternative.” (Dictionary. LaborLawTalk. com)

Kalau diterjemahkan adalah suatu biaya dari hilangnya suatu kesempatan dalam menggunakan sumber daya tertentu. Kalau kita melihat waktu sebagai sumber daya (Yup.. time is a resource!!) maka opportunity cost adalah biaya memilih untuk melakukan aktivitas A daripada aktivitas B. Lebih konkritnya, kalau aktivitas A adalah menunggu dan aktivitas B adalah membaca, maka dengan menunggu saya pun kehilangan ‘kemungkinan’ keuntungan dari membaca. Keuntungan itu tidak boleh hanya diukur dari berapa jumlah duit yang bisa dihasilkan oleh suatu kegiatan. Opportunity cost is a key concept in economics, and has been described as expressing “the basic relationship between scarcity and choice”. [2]

The notion of opportunity cost plays a crucial part in ensuring that scarce resources are used efficiently. [3] Thus, opportunity costs are not restricted to monetary or financial costs: the real cost of output forgone, lost time, pleasure or any other benefit that provides utility should also be considered opportunity costs. Opportunity costs may be assessed in the decision-making process of production. If the workers on a farm can produce either one million pounds of wheat or two million pounds of barley, then the opportunity cost of producing one pound of wheat is the two pounds of barley forgone

(assuming the production possibilities frontier is linear). Firms would make rational decisions by weighing the sacrifices involved. Explicit costs

Explicit costs are opportunity costs that involve direct monetary payment by producers. The opportunity cost of the factors of production not already owned by a producer is the price that the producer has to pay for them. For instance, a firm spends \$100 on electrical power consumed, their opportunity cost is \$100. The firm has sacrificed \$100, which could have been spent on other factors of production. Implicit costs

Implicit costs are the opportunity costs that in factors of production that a producer already owns. They are equivalent to what the factors could earn for the firm in alternative uses, either operated within the firm or rent out to other firms. For example, a firm pays \$300 a month all year for rent on a warehouse that only holds product for six months each year. The firm could rent the warehouse out for the unused six months, at any price (assuming a year-long lease requirement), and that would be the cost that could be spent on other factors of production.