

Chapter one

Literature, Russian Literature



Chapter assignment Question Effects of lowering the price alongside other factors If many of the local rivers are closed to fishing then the number of clients is expected to reduce despite reduction in prices. General reduced demand for guide services, at least in the short run, explains this as the number of fishers will reduce by greatly.

Introduction of a new and captivating movie about fly-fishing is likely to reduce demand, regardless of lowered price, because of increased competition from the substitute (Stock 1-13).

Question 2: Costs and benefits

Costs for studying for an exam include cost of study materials, time, and physical and mental strain while benefits include passing the exam, increased competitiveness in the job market and attained social status.

Costs of skiing on a class day include lost learning opportunity, cost of used costumes and payments for guide while benefits include utility from the experience and social interactions.

Costs of taking a job include time for doing the job lost opportunities for studies and other activities while benefits are earnings and improved social status.

The cost of watching a television include addiction, spent time, and negative influence while benefits include entertainment and learnt good ideas (Stock 1-13).

Question 4

Opportunity cost defines lost potential gain from foregone alternatives. This explains the concept that there is nothing as a free lunch because there is a lost opportunity at the expense of the free lunch and the loss defines the

lunch's cost (Stock 1-13).

Question 7: Maximizing grades

The best way to maximize grades for the two subjects is to spend four hours per day studying economics and two hours per day studying accounting. This is because the arrangement attains optimal utility at which marginal cost of studying each subject, opportunity cost, equals marginal benefit (Stock 1-13).

Works cited

Stock, Wendy. Introduction to economics: Social issues and economic thinking. Hoboken, NJ: Wiley, 2012. Print.