

Economic incentives essay sample

[Economics](#)



**ASSIGN
BUSTER**

Then discuss your topic in an original thread by 11: 59 p. m. (ET) on Friday, and reply to at least 2 classmates' threads by 11: 59 p. m. (ET) on Monday. Be sure to include the following:

* In the first paragraph, discuss the relevant economic theory of your topic (your textbook is a good source for this paragraph). * In the second, you must include outside research to corroborate your thread (from the Liberty University Online Library or elsewhere). * In the third, cite and discuss a real-world example of your topic. * In the fourth, integrate biblical insights into your Discussion Board posts.

Economic incentives are used to influence a person. The postulate stated in the book *Economics: A Private and Public Choice* is, “ Incentives matter – changes in incentives influence human choices in a predictable way.” (Gwarteny, 2013). Incentives cause a person to view a certain option in a positive light. During daily activities, a consumer is constantly being bombarded with incentives designed to portray one option as better than the rest. This known postulate of economics has become a powerful tool; Incentives have become its own kind of commodity in the hands of companies, politicians, and the general population as people attempt to make whatever they are selling more appealing to the public eye. An incentive is defined as, “ Something that incites or tends to incite to action or greater effort, as a reward offered for increased productivity” (incentive). Society is influenced in a variety of ways, the majority of which are incentives.

How do incentives achieve their goal? Incentives are used in advertisements for products and they even occur when a person is: conscience of society's opinion, aware of the law and its punishments, and motivated because of their own personal goals. There are five different kinds of incentives that are common in everyday life. This list begins to categorize the various stimuli that effects people's decisions. The five types are remunerative, financial, moral, coercive, and natural incentives. Incentives are seen everywhere in daily life and they appear in a variety of ways. Whether a person is making a choice between what to eat for lunch or when to go to bed, they are being influence by incentives. For example, images of an appealing lunch meal in a TV commercial may make someone choose Subway over Mcdonalds. However, the same thought process can motivate someone to prefer a meal at McDonalds because of the company's constant promotion of their " dollar menu" (Mcdonalds, 2013).

Either of these incentives can appeal to a person, depending on what they are motivated by, in this case, either health or money. The Bible is full of different forms of incentives. Some people can skim the Bible and note its major incentive; the opportunity for eternal life. However a deeper knowledge of what God says shows many more incentives. Other incentives are exemplified in the Bible: believers have faith which gives them peace (Romans 5: 1), faith leads to loving the Creator and experiencing His love (Psalms 85: 10), and the knowledge of right and wrong gives an opportunity for forgiveness (Acts 2: 38). All of these reasons for believing the Bible, along with many more, can motivate a person to choose that specific approach to life. In its essence, an incentive is a deliberate proposal calculated to make a

person choose a certain action. Thus, the reason why incentives are so popular in society is because everything and everyone wants more, more money, significance, and recognition. The opportunity to have these options is what makes a person decide; the attempts to make the options more appealing are the incentives.