

Principles of Macroeconomics
Spring 2010

Mini Projects (Chapter 1)

Instruction: (1) Answer one of the following questions. If you answer both, you earn extra points. (2) You can either type the answer directly, or attach a saved file of your answer.

1. (10 points) Since billionaires have so much money to buy what they want, do they have to make choices? Explain why yes or no.
2. (10 points) Scenario: Farmer Henry catches a catfish from a river using his fishing pole. He sells the catfish to Aunt Em. Among more than 30 recipes of catfish, Aunt Em narrows them down to two: oven-fried catfish, or crispy catfish. She finally decides making oven-fried catfish as dinner.

Fill in the blanks with the following suggestions: scarce, consumer, producer, land, labor, capital, opportunity cost, consumer goods. (Some words can be filled more than once)

Farmer Henry is the _____ of the catfish.

The time Henry spent on catching the catfish is _____.

Before Henry catches it, the catfish is considered as _____.

The catfish Aunt Em bought is _____.

The fishing pole is _____.

Aunt Em is the _____ of the catfish.

The river where Henry goes fishing is _____.

The oven-fried catfish is _____.

Crispy catfish is the _____ for oven-fried catfish.

Aunt Em has to make a choice between crispy catfish and oven-fried catfish because, to her, catfish is _____.