

## Quiz & Worksheet - Calculating Opportunity Cost

1. With the same amount of resources, Country A can produce 25 tons of chicken or 50 tons of wheat. What is Country A's opportunity cost of producing 1 ton of wheat?

- ½ ton of chicken
- 2 tons of chicken
- 25 tons of wheat
- 25 tons of chicken

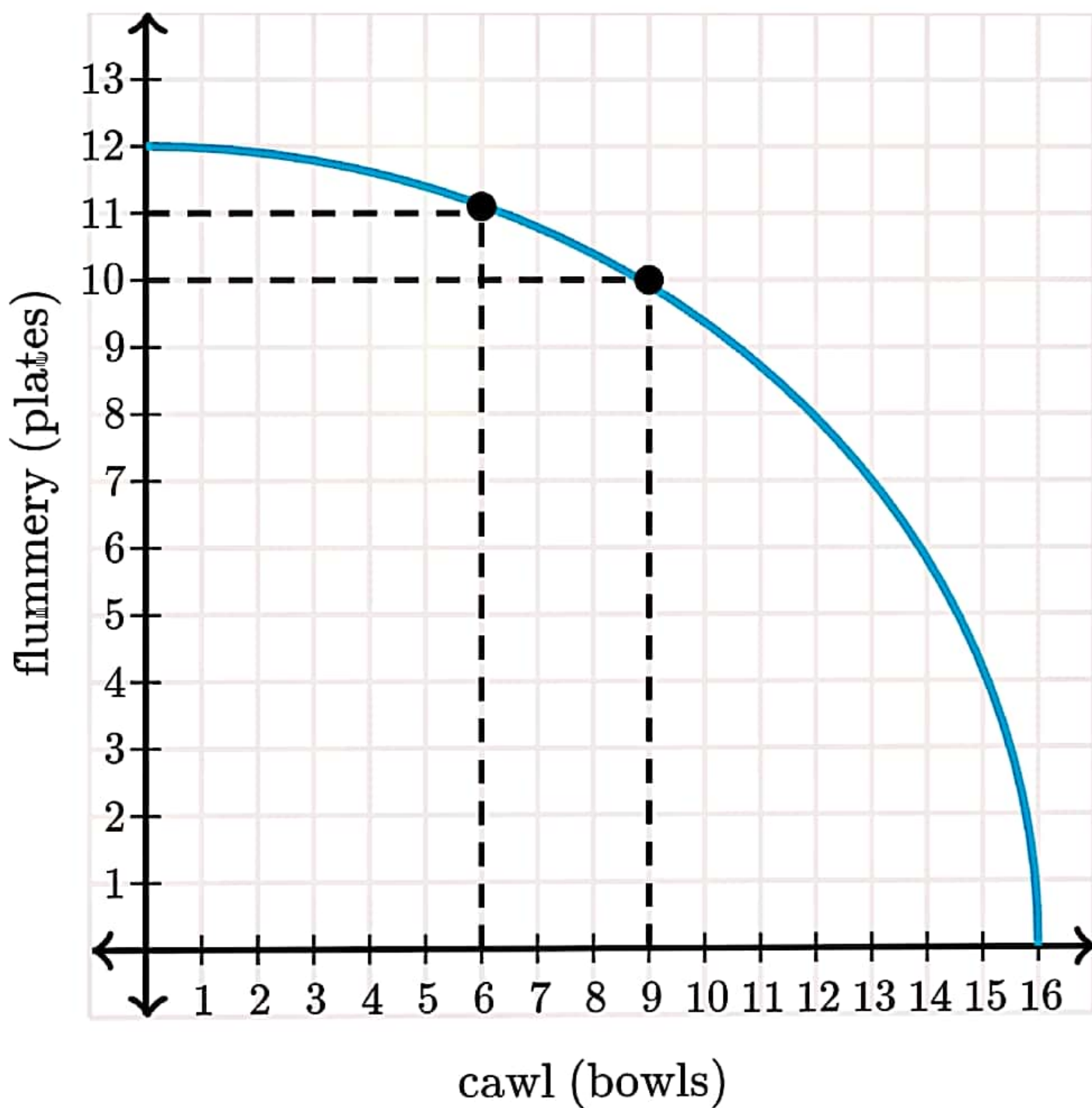
2. Assuming there are only two countries, Country A can produce 10 tons of wheat or 20 tons of rice, while Country B can produce 5 tons of wheat or 15 tons of rice. Which country has the highest opportunity cost for producing 1 ton of rice?

- Country A
- Country B
- Both countries are the same
- Country A up to 1/2 ton then it is Country B

3. In one hour, Sally can complete 4 reports or she can write 8 computer programs. Calculate the opportunity cost for this scenario.

- Writing one report and forgoing 2 computer programs
- Writing one report and forgoing 3 computer programs
- Writing one report and forgoing 4 computer programs
- Writing one report and forgoing 5 computer programs

The Queen's Kitchen is a restaurant that serves classic British, Welsh, and Irish dishes. Its chef can make bowls of cawl and plates of flummery according to the production possibilities curve (PPC) shown here.



Based on the production possibilities curve shown here, what is the opportunity cost of a plate of flummery when the chef goes from producing 10 plates of flummery to 11 plates of flummery?

Choose 1 answer:

- (A)  $\frac{1}{3}$  of a bowl of cawl
- (B) 0.75 of a bowl of cawl
- (C) 3 bowls of cawl
- (D) 1 bowl of cawl
- (E) 1.33 of a bowl of cawl

**1. It takes you half an hour to do a math assignment and two hours to do a micro assignment. What is the opportunity cost of you doing two math assignments? \***

- a. 1/2 micro assignments.
- b. 1 micro assignment.
- c. 2 micro assignments.
- d. 4 micro assignments.

**2. Jenn won a free ride to four years of college. During these four years Jenn could also do any number of things, including:**

**I. Travel the world.**

**II. Work to gather savings and career experience.**

**III. Become an expert oboist.**

**Which of the following is the opportunity cost of Jenn attending college? \***

- a. Zero.
- b. II only.
- c. The sum of I, II, III, and any other opportunities she passed up.
- d. Whichever of I, II, III or any other opportunities she passed up is most valuable to her.

**3. Daniel has \$50 left over this week and he wants to contribute to a charitable cause. With \$5, Daniel can feed one homeless person one meal. With \$10, he can provide shelter for one homeless person one night. What is the opportunity cost of Daniel using all his money to shelter homeless people? \***

- a. Zero.
- b. Depends on which option is most valuable to Daniel.
- c. Depends on which option is most valuable to the homeless people in question.
- d. 10 homeless meals.