

Economics: A Christian Worldview – The Land of Limited Stuff

(TEACHER INSTRUCTIONS/KEY)

Purpose

Students practice determining scarcity and opportunity cost options.

Time

20-25 minutes

Instructions

1. Print this page for yourself and a copy of Page 2 for each student.
2. Read the instructions together.
3. Students answer individually, then in pairs/groups/at tables.
4. Discuss as a class.

Emphasize:

- The opportunity cost is the **next best alternative**, not just “something else.”
- Even silly decisions still involve real tradeoffs.

Key

1. **Scarcity:** City budget; **Opportunity Cost:** Bridge repairs
Why: Infrastructure safety and long-term productivity may suffer
2. **Scarcity:** Time; **Opportunity Cost:** Studying for the test
Why: Lower grades may affect GPA or future opportunities
3. **Scarcity:** Land; **Opportunity Cost:** Corn revenue
Why: Determines which crop yields higher returns
4. **Scarcity:** City funds; **Opportunity Cost:** Fire truck upgrades
Why: Emergency response and safety may decline
5. **Scarcity:** Capital/profits; **Opportunity Cost:** Productivity gains from new equipment
Why: Slower long-term growth
6. **Scarcity:** Developer time and company resources; **Opportunity Cost:** Security improvements
Why: Weak security could cause costly data breaches
7. **Scarcity:** Tax revenue; **Opportunity Cost:** Lower taxes or other public services
Why: Affects household income and resource allocation
8. **Scarcity:** Flour; **Opportunity Cost:** Bread production
Why: Bread likely has steady demand; novelty cupcakes may not
9. **Scarcity:** Public funds; **Opportunity Cost:** Hospital expansion
Why: Health capacity and community well-being affected
10. **Scarcity:** Income (tax refund); **Opportunity Cost:** Replacing air conditioner
Why: Comfort, repair costs, and home value may decline

Economics: A Christian Worldview – The Land of Limited Stuff

For each scenario, fill in the blanks of what is **scarce**, the **opportunity cost (OC)**, and why the **OC matters**:

Scenarios:

1. A city spends \$8 million on a downtown art sculpture instead of repairing bridges.

Scarcity:

Opportunity Cost/Why It Matters:

2. A student spends three hours perfecting a meme about economics instead of studying for tomorrow's test.

Scarcity:

Opportunity Cost/Why It Matters:

3. A farmer plants strawberries instead of corn.

Scarcity:

Opportunity Cost/Why It Matters:

4. A city council spends \$500,000 building the world's largest rubber duck statue instead of upgrading its fire trucks.

Scarcity:

Opportunity Cost/Why It Matters:

5. A company spends profits on executive bonuses instead of new equipment.

Scarcity:

Opportunity Cost/Why It Matters:

6. A tech company spends months developing an app that meows every time you open your phone instead of improving its security software.

Scarcity:

Opportunity Cost/Why It Matters:

7. A government uses tax revenue to subsidize electric buses instead of reducing taxes.

Scarcity:

Opportunity Cost/Why It Matters:

8. A bakery uses its last bit of flour to make glow-in-the-dark "Alien Invasion Cupcakes" instead of regular bread.

Scarcity:

Opportunity Cost/Why It Matters:

9. A town builds a sports stadium instead of expanding its hospital.

Scarcity:

Opportunity Cost/Why It Matters:

10. A family spends their entire tax refund building a deluxe backyard chicken palace (with chandelier) instead of replacing their failing air conditioner.

Scarcity:

Opportunity Cost/Why It Matters:

