Making Economic Decisions Questions

1. What does every decision involve?

2. Critical Thinking: Think of a recent decision you made. Explain what the trade off for that decision was.

3. What is opportunity cost?

4. What are fixed costs?

5. What are variable costs?

6. Critical Thinking: Why does a business need to know its total costs?

7. What is total revenue?

8. Critical Thinking: Why is it important for a business or an individual to engage in cost-benefit analysis?