## Self-Check Questions

[1](http://openstax.org/books/principles-microeconomics-3e/pages/chapter-2#fs-idp67687232-solution).

Suppose Alphonso’s town raised the price of bus tickets from $0.50 per trip to $1 per trip (while the price of burgers stayed at $2 and his budget remained $10 per week.) Draw Alphonso’s new budget constraint. What happens to the opportunity cost of bus tickets?

[2](http://openstax.org/books/principles-microeconomics-3e/pages/chapter-2#fs-idp42902064-solution).

Return to the example in [Figure 2.4](http://openstax.org/books/principles-microeconomics-3e/pages/2-2-the-production-possibilities-frontier-and-social-choices#CNX_Econ_C02_011). Suppose there is an improvement in medical technology that enables more healthcare with the same amount of resources. How would this affect the production possibilities curve and, in particular, how would it affect the opportunity cost of education?

[3](http://openstax.org/books/principles-microeconomics-3e/pages/chapter-2#fs-idm8667296-solution).

Could a nation be producing in a way that is allocatively efficient, but productively inefficient?

[4](http://openstax.org/books/principles-microeconomics-3e/pages/chapter-2#fs-idp46127904-solution).

What are the similarities between a consumer’s budget constraint and society’s production possibilities frontier, not just graphically but analytically?

[5](http://openstax.org/books/principles-microeconomics-3e/pages/chapter-2#fs-idm126889808-solution).

Individuals may not act in the rational, calculating way described by the economic model of decision making, measuring utility and costs at the margin, but can you make a case that they behave approximately that way?

[6](http://openstax.org/books/principles-microeconomics-3e/pages/chapter-2#fs-idm106259344-solution).

Would an op-ed piece in a newspaper urging the adoption of a particular economic policy be a positive or normative statement?

[7](http://openstax.org/books/principles-microeconomics-3e/pages/chapter-2#fs-idm56025936-solution).

Would a research study on the effects of soft drink consumption on children’s cognitive development be a positive or normative statement?