

Some Class
Random Examples

Your Name

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Chapter 1

1.1 Wednesday, August 14

Definition 1.1.1: Utility

Utility is the economics term for *benefit*. Marginalism is the economic principle that economic decisions are made and economic behavior occurs in terms of incremental units, rather than categorically. The key insight of marginalism is that people make decisions over specific units of economic goods (economists say "at the margin"), rather than in an all-or-none fashion.

Definition 1.1.2: How society decides how economics work

- What will be produced?
- How will it be produced?
- Who will receive it?

Definition 1.1.3: Command Economy vs. Traditional Market Economy

In a command economy the government decides every answer to all of those questions. In a market economy, the people (consumers) have complete control over the first and last answers. Companies have say over the means of production. Here's the stitch: The **Market** decides the reception in reality. There is also a mixed economy, which is somewhere on the spectrum between the two extremes. Pure competition is required to make a Market Economy work.

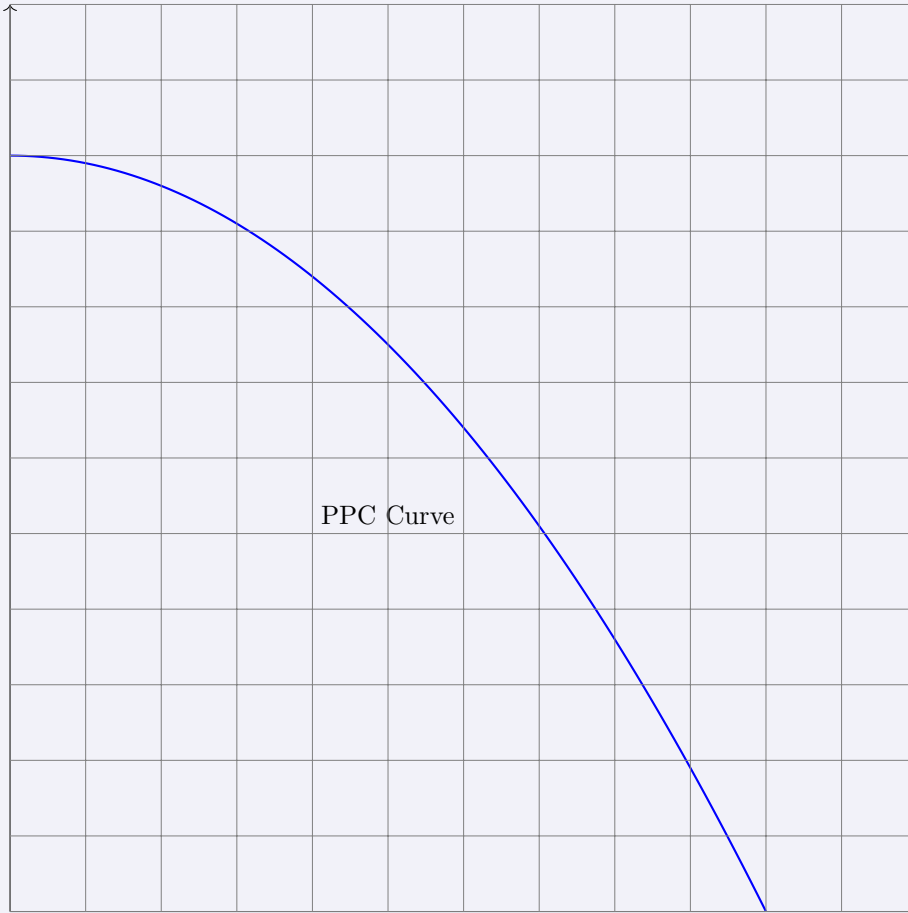
Theorem 1.1.1 What does a market Economy create?

- Efficiency
- Quality
- principle
- Innovation

1.2 Thursday, August 15

Theorem 1.2.1 PPC - Product Possibility Curves

Good Y



That is the curve of 100% efficiency, if a business was working at the capacity of its infrastructure.