Definitions and Notes

1. **Assumptions**: `more is always better`, there are no budget constraints for this class's thought experiments.

2. **Indifference curves**: `An indifference curve` is a graph showing `combination of two goods` that `give the consumer equal satisfaction and utility`.
   `Each point` on an indifference curve `indicates` that a `consumer is indifferent` between `the two and all points give him the same utility`.

3. **Four properties of Indifference curves** :
   (i) People `prefer higher` IC
   (ii) Indifference curves `never intersect`.
   (iii) Indifference curves are `downward sloping`
   (iv) Only `1 I.C` through `every bundle`

4. **Preferences**: In economics and other social sciences, `preference is the order that a person gives to alternatives based on their relative utility, a process which results in an optimal "choice"`.
   `Preferences are evaluations`, they concern matters of value, typically in `relation to practical reasoning`.

5. **Utility**: Economists use the term utility to describe `the pleasure or satisfaction` that a consumer `obtains from` his or her `consumption of goods and services`. It is a `subjective measure` of `pleasure or satisfaction` that `varies from individual to individual according to each individual's preferences`.

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