

Unit 1, Lesson 2

Activity 1

Which Examples Illustrate Scarcity?

Directions: Mark an "S" at the end of the statement if you think the item is scarce. Mark "NS" if the item is not scarce.

- A. Old economics textbooks collected in a bookcase near the teacher's desk with a sign that says "Free books, take as many as you want." The books have been there for three years. ____
- B. Old economics textbooks collected in a bookcase near the teacher's desk with a sign that says "Free books, take as many as you want." Another sign posted in the hallway says "\$10 paid for any recycled textbook. Bring books to the Principal's office." ____
- C. One economics textbook, five students who wish to do well in the economics course, and an important test in class the next day. ____
- D. One economics textbook, five students who are not taking economics, and an important test in the economics class the next day. ____
- E. Petroleum in Japan, a country without its own oil fields and without oil reserves. ____
- F. Petroleum in Saudi Arabia, a country with many oil fields and oil reserves. ____

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Activity 2

Are People Treating Scarce Resources as Scarce?

Directions: Mark an "S" at the end of the statement if you think the item is scarce. Mark a "NS" if the item is not scarce.

- A. Water fountains in Rome flow continuously with water carried by viaducts from the Italian mountains. People walking in Rome quench their thirst by drinking from the fountains. But most of the water flows into the street and down the drains to a river that passes through the city. ____
- B. At closing time, restaurants in the United States are required to throw away all uneaten food. To meet health standards for food preparation and the safety of consumers, the food cannot be stored for use the next day. Also, the law prohibits restaurant employees from giving the food to the poor or dispersing it to local food banks. ____
- C. Oxygen is taken from the air and stored in containers. When divers wish to stay underwater for long periods of time, they purchase container-stored oxygen and breathe from it during their underwater activities. ____
- D. Pebbles are taken from a beach to build a walkway in a homeowner's lawn. No one else wants the pebbles. The pebbles are not necessary for the lake's ecosystem or animal habitat. ____
- E. A farmer has a water irrigation contract that requires the water user to use the entire allocation of water to water crops, whether or not all the water is needed for crop irrigation. If the farmer does not use all the water, he or she will receive a smaller allocation next year. ____