Choose the Project

Use economic reasoning to plan a school repair day

E.C.1.2 "Determine appropriate courses of economic actions by applying principles such as scarcity, opportunity cost, incentives, productive resources, and voluntary exchange to real world situations."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline the limits on money and time, circle each possible action, and number the benefits the council would give up by choosing just one action. Use your marks to decide which action best fits the council's goal.

One Saturday, Two Plans

1. Riverside High's student council wants to hold a free repair day on Saturday. Its main goal is to help students who ride bicycles to school keep their bikes safe to use. The council has $500 and 16 student volunteer hours to spend. One plan is a bike tuneup station that would cost $240 and use 10 volunteer hours. Organizers estimate it could serve 20 riders. Another plan is a station for repairing small household items, such as lamps and fans. It would cost $390, use 12 volunteer hours, and serve about 18 households.

2. Both plans could help the community, but the council cannot run both on the same Saturday. Together, they would cost $630 and require 22 volunteer hours, more than the council has. Choosing the bike station means giving up the chance to repair household items that day. Choosing the household station means giving up tuneups for student riders. The council could save any unspent money for a later event, but it cannot save unused Saturday volunteer hours. Members must decide which benefit matters most for this event rather than treating either plan as free.

3. A nearby bike shop offers two hours of a mechanic's time if the council puts the shop's name on the event flyers. The council may accept or decline, and the shop may withdraw its offer before plans are final. The shop hopes the flyers will bring in customers, while the council hopes the mechanic will help riders. The shop also offers a $5 helmet discount to people who attend, which might encourage more riders to come. The bike station's $240 cost and 10 student volunteer hours do not depend on either shop offer.

2 ANSWER WITH EVIDENCE

Use the passage

1. Could the council run both stations on Saturday? Use the resource limits to explain your answer.

2. Which station better fits the council's main goal? What benefit would the council give up by choosing it?

3. How might the helmet discount affect the bike station, and why would the shop offer it?

4. What would each side receive if the council and shop agreed to the mechanic offer? If they do not agree, can the council still run the bike station?

3 YOUR TURN

Your own words

Invent a decision for a neighborhood group with limited money and volunteer time. Describe two projects it cannot do together, choose one, explain what your choice gives up, and propose an incentive or voluntary exchange that supports your plan.

ANSWER KEY

Choose the Project

HIGH SCHOOL · E.C.1.2

PART 1 · READ AND MARK

Underline the limits on money and time, circle each possible action, and number the benefits the council would give up by choosing just one action. Use your marks to decide which action best fits the council's goal. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Could the council run both stations on Saturday? Use the resource limits to explain your answer.	**No. Both would cost $630, exceeding the $500 budget, and require 22 volunteer hours, exceeding the 16 hours available.**
2	Which station better fits the council's main goal? What benefit would the council give up by choosing it?	**The bike station fits the goal of helping student riders. Choosing it gives up the chance to repair small household items for about 18 households that Saturday.**
3	How might the helmet discount affect the bike station, and why would the shop offer it?	**The discount might encourage more riders to attend. The shop may gain customers who buy helmets.**
4	What would each side receive if the council and shop agreed to the mechanic offer? If they do not agree, can the council still run the bike station?	**The council would receive two hours of a mechanic's time, and the shop would get its name on the flyers. Yes. The bike station's stated cost and student volunteer hours do not depend on the offer.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

A neighborhood group has $300 and eight volunteer hours. It could plant trees for $220 and six hours or build a little free library for $180 and five hours. It cannot do both because the projects need $400 and 11 hours together. I would plant trees to add shade near the playground, giving up the library's book-sharing benefit for now. A garden store could offer seedlings in exchange for its name on a sign, but both sides would have to agree.

Accept either project in the open task if the stated limits rule out doing both and the student explains a relevant opportunity cost. An incentive should plausibly influence behavior, and a proposed exchange must benefit both willing sides.