**Module 1 – Case 1**

**INTRODUCTION TO ECONOMICS**

**Case Assignment**

After reviewing the information listed on the background materials page, please address the following questions in an essay or short answer form.  Be sure to support all your answers with references:

1. Explain the difference between a positive and normative statement. Give an example of each type of statement.
2. What is the difference between *supply and* *demand*aspresented in the readings?  Discuss a real-time example that you found doing outside research.
3. Do some additional research on your own on *public goods*. What are the two main characteristics of this type of good? What is the biggest “problem” with allocating public goods? Do you think the government should have a role in allocating public goods, or should goods be privatized?

**Assignment Expectations**

Use concepts from the modular background readings as well as any good quality resources you can find. Please be sure to cite all sources within the text and in a reference list at the end of the paper.

Length: 4–5 pages double-spaced and typed.
The following items will be assessed in particular:

* Your ability to apply the basic concepts to the questions.
* Some in-text references to the modular background readings (APA formatting not required).
* The essay should address each element of the assignment. Remember to support your answers with solid references including the case readings.

SLP 1

* Explain key economic terms such as: scarcity, perfectly competitive market, free rider and assurance problems, normative and positive economics in the way that economists use them.
* Describe the production possibilities curve.