Teacher Answer Key

Case Study

1. Going straight to work means a paycheck now plus on-the-job experience, instead of years of tuition bills and no income.

2. College costs money and time up front, but it can open more career doors and lead to bigger paychecks later.

Multiple Choice

1. A

2. D

3. B

Matching

1-B, 2-D, 3-E, 4-A, 5-C

Fill-in-the-Blank

1) opportunity, 2) next best, 3) opportunity

Short Answer (Sample Responses)

Q1: Opportunity cost affects government policies by requiring officials to prioritize resources, often sacrificing one sector's funding for another.

Q2: A business considering new technology over hiring staff faces opportunity cost, as it may miss out on expansion or improved operations if not investing in workforce growth.

Q3: Understanding opportunity cost helps individuals make financial decisions by clarifying what they might be giving up, encouraging more thoughtful spending or saving strategies.