

# ECONOMIC CONCEPTS WORKSHEET

## TRENT RHODES

Concept	Application of Concept from Personal Experience	Reference to Concept in Reading
<p><b>Tradeoffs</b> symbolize the <b>importance of making choices that refocus energies and resources. Understanding that material resources are limited is the first step; accepting these limitations is the second. In combination, the tradeoff establishes value in the choices we make. The sacrifice being of lesser value than the selected resource.</b></p>	<p>In order to enhance my skill sets, whether for my martial arts training or become more proficient in my job, the amount of time I allot to study and application leaves little room for “hanging out” with friends or devoting time elsewhere. I give my energy to self-mastery, which takes away from other extracurricular activities.</p>	<p>“Efforts to reduce income inequality may weaken incentives to work, invent, innovate and take business risks, all of which promote economic growth” (McConnell-Brue, 2004, p. 9)</p>
<p><b>Scarcity</b> exists due to the <b>limitations of natural resources. What we can produce relies on the natural elements found on earth, and the combinations people apply them to produce goods and services. These materials are finite, consequently emphasizing the need to make choices. At some period of time, these resources will no longer exist. This concept supports the need to product efficiently, maximizing the output with minimal waste of resources.</b></p>	<p>I understand that my time is limited, so I must be mindful of the activities I give my efforts to. There is a limited amount of time I can spend with a student in the enrollment process, so the choices I make in how I engage with them must support efficiency.</p>	<p>Scarcity limits our options and necessitates that we make choices. Because we ‘can’t have it all,’ we must decide what we will have, and what we must forego” (McConnell-Brue, 2004, p. 3).</p>

<p><b>The thinking process involves selection, choice and the concept of scarcity. Because we choose one good or service over another, and apply ranking values accordingly, favoritism as <u>biases</u> can influence rational thinking. These personal preferences influence choices through their positive or negative references, particular materials, cultures, attitudes or personalities. Despite the attempt to remain purely objective, seeing reality as it is, people may find their perceptions touched by a bias.</b></p>	<p>A few occasions of bias led me to believe that the members of the martial arts organization I belong to would not be productive students in the future.</p> <p>Their behavior during their initial training created a bias for me, of which I was proved wrong, because they ended up being some of the most dedicated students. The bias I had altered my way of interacting with them. Once I noticed my inclination, I realized that objectivity is of absolute necessity.</p>	<p>“Biases cloud thinking and interfere with objective analysis. All of us must be willing to shed biases and preconceptions that are not supported by facts” (McConnell-Brue, 2004, p. 10).</p>
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<p><b>The <u>market</u> is a general term for the activity of sellers or suppliers demonstrating their products to those who may become potential buyers. The scale of a market appears limitless due to the expansion of the Internet. The amount of products and services offered through this medium encourages the value of innovation and entrepreneurship. Competition among several buyers in a market fuel the drive for sellers to further develop, expand and find new means of attracting customers.</b></p>	<p>By becoming more engaged in the professional organization at my previous campus, I began a market of my skill sets. By my senior year, I was able to “sell” my skills via past accomplishments, and developed a market where my choices of work expanded.</p>	<p>All situations that link potential buyers with potential sellers are markets” (McConnell-Brue, p. 39).</p>
<p><b>The <u>scientific method</u> for economists follows the processes of thought of natural scientists. The method works to structure the user’s mind in obtaining data, evaluation and projection. Economists work with a social science of human behavior. In order to accurately predict trends, this information is collected and tested.</b></p>	<p>This method of thought I’ve used in daily writing. I would conduct observations on specific themes such as the use of silence in conversation, and record the results. Over a single week I had enough information to form simple generalizations that focused on universal application.</p>	<p>Laws, principles and models enable the economist, like the natural scientist, to understand and explain reality and to predict the various outcomes of particular actions” (McConnell-Brue, 2004, p.6)</p>