**Economic Decision Making**

**Scenario:**

It is Friday night. Your only chunk of free time all weekend is tonight from 6:00 to 11:00. Before deciding how you will spend this time, consider these factors:

* You have $40 to spend
* You have an economics test on Monday
* This is the last football game of the season
* It is your mother’s birthday
* Someone you like has asked you on a date
* Your favorite band is in town tonight

**Task:**

Fill in the table below showing how you plan to spend your time. Choose from the list of possible activities below:

**Possible Activities:**

* Football game: 3 hours, $5
* Dinner: 2 hours, $20
* Movie: 2 hours, $10
* Rock Concert: 4 hours, $40
* Study for the test: variable time, $0
* Hang out at a friend’s house: variable time, $0
* Work at job: variable time, earn $10 per hour
* Family time: variable time, $0

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| **Time** | **Activity** | **Price** |
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Questions on back

**Questions:**

1. What decisions did you have to make in this exercise?
2. What constraints did you face when making these decisions?
3. For each decision you made about how to spend your time, what did you have to give up?
4. Which is the preferred decision?
5. What is your opportunity cost?
6. List all of the trade-offs for your decision.