**Opportunity Cost Analysis**

Using the readings given to you, find out what some of the changes were in each of the following sectors. Once your group has finished, you will share with the class.

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| **Sectors:** | **What happened?** | **What were the long-term consequences?** | **Good or bad?** |
| Agriculture   * agricultural innovation * the enclosure movement |  |  |  |
| Business Organizations   * putting out system |  |  |  |
| Shipping   * Navigation Acts |  |  |  |
| Foreign Trade   * slave trade * warfare for empire |  |  |  |
| Social Issues   * population growth * unemployment * inflation * impact on invested wealth |  |  |  |

**Opportunity Cost**

Know that opportunity cost means that the consequence of choosing one alternative is giving up other alternatives one might have chosen and having to cope with the consequences of having made that choice.

Opportunity cost means that individuals, groups, or societies hae to make careful choices because every choice has a cost.

Know that the ration of costs and benefits may change as the time frame changes from the short run to the long run.

1. Looking at the table on the other side of this page, describe the cost of one of the decisions that was made:

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1. Using any of the five categories that we’ve just discussed, find a current issue that you could do an opportunity cost analysis on. Describe the event, the consequences, and provide your opinion.

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