9.51a- Utility and Marginal Utility

9.51- Explain the importance of utility and marginal utility in terms of decision making and consumption.

Kickoff:

❖ Pick up both handouts on the way in
  ➢ Complete the one titled "Worksheet 51.2: Marginal Utility per Dollar" for your **KO**
  ➢ Put the other one to the side for now
❖ **Roll Call:** Favorite Meal

Announcements:

- **11/11-** No school
  - ➤ Veterans Day
- **11/15-** Unit 3 Test
- Knight Time next week

THE WEEKEND IS HERE!

Eating Through Utility

❖ Throughout every day you make choices of what to eat and drink and utility is what helps you make these decisions
❖ First: Fill out the marginal utility and total utility columns for each food or drink decision you have to make throughout the day
  ➢ These numbers are all relative to you! But make sure you make rational decisions
  ➢ Make these decisions independent of one another (i.e. don't think of all you have eaten in this assignment when you get to your final decision (dessert for dinner)
  ➢ 0 and negative marginal utilities are possible
❖ Answer parts A and B for each question
❖ You will fill in the MU/P section and answer part C later

Budget Constraint and Cost:
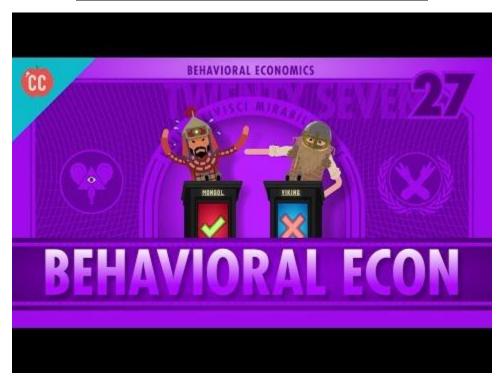
1) Budget = $4; Coffee = $1; Energy Drink = $2

2) Budget = $8; Bacon = $2; Sausage = $2

3) Budget = $3; Grits = $1; Oatmeal = $1.50

4) Budget = $5; Gatorade = $2; Water = $1

5) Budget = $12; sliders =$4; Pizza = $3

6) Budget = $4; Soda = $2; Juice = $2

7) Budget = $6; Fries = $2; Chips = $2

8) Budget = $2; Cheez-its = $1.75; Fruit = $.75

9) Budget = $12; Wings = $6; Nachos = $6

10) Budget = $60; Steak = $20; Ribs = $10

11) Budget = $20; Baked Potato = $5; Veggies = $4

12) Budget = $12; Brownies = $6; Ice Cream = $4

Behavioral Economics

MarketWatch

❖ Go to Google Classroom and follow the directions to get signed up and start playing

Closure- Why we have Monday Off