We already know that the Basic Economic Problem is scarce resources and infinite wants. So we therefore need to make choices.

**Economic choice is deciding between different uses of scarce resources**

**It is the next best alternative forgone when making a choice  
i.e. it is what we give up when we make a choice.**

**Examples of Opportunity Cost**

**The opportunity cost of a**

**is a**

**chocolate and cereal bar chocolate and caramel bar**

Now think of two examples of opportunity cost yourselves (one must be personal and the other for a business)

1. **Think of an opportunity cost that you have experienced recently**

**a) with money**

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**b) with your time**

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1. **What could be an opportunity cost of you going to university after you graduate?**

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1. State one opportunity cost your school may have.

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