

Do not write your name on the assignment. Write your name only on the back of this sheet of paper and staple your answers on the front of this sheet of paper. Failure to follow these directions will cost you 1 point on the assignment.

1) (10 points each) Are the following statements positive or normative? Explain your logic.

- A) The unemployment rate of Native Americans is near 50%.
- B) Sri Lanka is a beautiful country.

2) (15 points each) Draw the line in each part. Find the slope of it. Briefly explain how you got the slopes and how you plotted the lines.

- A) $3X + 2Y = 12$.
- B) The line through the points (2, 1) and (4, 7).

3) (15 points each) Illustrate the following events on the PPF (a.k.a. PPC) for rice and computers. Explain why the curve moves as drawn. Use separate graphs for parts A and B.

- A) A better fertilizer is invented.
- B) The population increases.

4) (20 points) What are your opportunity costs for taking this course? Make sure that you mention at least two.