Erin Francis, 4/2/15, Section 03

**Economic Mysteries (Template- See rubric for details)**

**Part A: Number and Title of Mystery from NCEE Booklet: Activity 5 “Could Buying Trees at Christmas Be Forest-friendly?”**

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| Handy Dandy Guide (Economic Principles used to solve the Mystery)1. People choose to do the things they think are best for them.
2. People’s choices have costs.
3. People choose to do things for which they are rewarded.
4. People create rules that affect our choices and how we act.
5. People gain when they freely decide to trade with one another.
6. People’s choices today have future results.
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| True False Questions (Clue/cues to solving the mystery – type out and answer): | 1. Many families choose to purchase real Christmas trees. \_\_T\_\_\_
2. Christmas tree farmers produce many thousands of Christmas trees every year. \_\_T\_\_\_
3. Land used to grow Christmas trees has no other use. \_\_F\_\_\_
4. Christmas tree farmers grow Christmas trees because they are required to do so. \_F\_\_\_\_
5. Christmas trees can not be traded or exchanged. \_\_F\_\_\_
6. Farmers who plant and grow Christmas trees hope to sell the trees in the future. \_\_T\_\_
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| Solution to the Mystery (Use relevant Economic Vocabulary – see Principles and handouts): | Many families choose to purchase real Christmas trees every year. They think that this choice is what is best for them. The families know that when they buy a Christmas tree it will cost money each year. Cutting down a tree for a Christmas tree may also be considered a cost for the environment. However, Christmas tree farmers plant many thousands of new Christmas trees every year. Their efforts are rewarded when they make profit off of selling the trees. If people were not permitted to buy or sell real trees at Christmas time, then the farmers would not be planting new trees every year. This could be detrimental to the environment because new trees would not be recycled through when the old trees die off. It is clear that the farmers would not plant and grow new Christmas trees if they were not hopeful that they would be able to sell the trees. Therefore, the families who buy real trees, the Christmas tree farmers, and the environment benefit from buying and selling Christmas trees.  |

**Part B: Write and Solve your own Economic Mystery**

**Title of your own mystery: “**The Cold Apartment”

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| Your original economic mystery scenario: | Charles and his three roommates live in a four-bedroom apartment right off of the Grand Valley campus. The apartment complex, Campus View, requires that the tenants pay for gas, electric, and water bills. During the winter, Charles and his roommates keep their apartment thermostat at 60 degrees. They often complain about being cold, but never turn the heater thermostat above 60 degrees. Sometimes, Charles and his roommates even choose to go to their neighbor’s apartment and cook them dinner to stay out of their cold apartment.  |
| Focus Question: | *Why don’t Charles and his roommates turn the heat up higher in their apartment?* |
| True False Questions (Clue/cues to solving the mystery – create your own **and answer**): | T/F\_\_\_\_\_ Charles and his roommates enjoy being cold. (F)\_\_\_\_\_ Keeping the heater thermostat at 65 degrees would cause the gas bill amount to increase. (T)\_\_\_\_\_ College students have a lot of extra money to pay big bills. (F)\_\_\_\_\_ College students like to spend their paychecks on their bills. (F)\_\_\_\_\_ There are other expenses, such as rent and groceries, which Charles and his roommates need to pay for. (T)\_\_\_\_ Having lower gas bills is like a reward for Charles and his roommates. (T) |
| Solution to the Mystery (Use relevant Economic Vocabulary – see Principles and handouts): | (1) Charles and his roommates think it is best for them to spend less money on gas bills. (2) This means that they may be cold during the winter. Charles and his roommates would rather use extra blankets or warmer clothes, than turn up the heat. (3) The guys are rewarded for keeping their apartment cold with lower bills. Therefore, they are choosing to keep the thermostat at 60 degrees. (4) The apartment complex requires that the tenants keep their thermostat at least above 59 degrees so that the water pipes won’t be at risk for freezing. (5) Charles and his roommates gain from going to their neighbor’s house for heat, and the neighbor’s gain from Charles’ skillful cooking. (6) Keeping the thermostat low has a future result of a lower gas bill. |