TO WHAT EXTENT IS UNIVERSITY AN ECONOMIC CHOICE?

The economic problem exists because of scarcity of resources. People have infinite wants and finite resources. This is the economic problem and imposes choices on people. The next best alternative is called the opportunity cost of the choice that you make.

To answer the economic problem economists, ask 3 questions:

***What*** should the economy produce?

***How*** should the economy produce it? And for…

***Whom*** the economy should produce for.

Let us take the example of the market for higher education, almost everyone believes that going to university is a good thing, likely to increase the attendees future economic and career prospects. We can say that it is an economic choice.

**The Economic problem can be applied to university education.**

**What** courses should be produced by universities, are they all the same in their usefulness?

**How** should universities produce education, should there be large class sizes, online course, lectures, should it be ‘free’ or should students pay tution?

**Whom,** who shouldbe able to attend, what should the criteria be, grades or the ability to pay or both?

**Activity**

Using the questions above and the data in the BBC widget, write a paragraph on the idea that for students ‘Attending university is an economic choice’. You must use all of the key terms that we have so far used (see the bookmark).

**Sentence Starters, you can use these if you would like:**

**Studying at university can be seen as an economic choice because….**

**What to produce, universities can answer this in a number of ways, this could include…**

**How to produce can be answered in a number of ways by universities this could include…**

**For whom to produce can be answered in a number of ways by universities this could include…**

**A counterargument to the idea that going to university is an economic choice could include…**