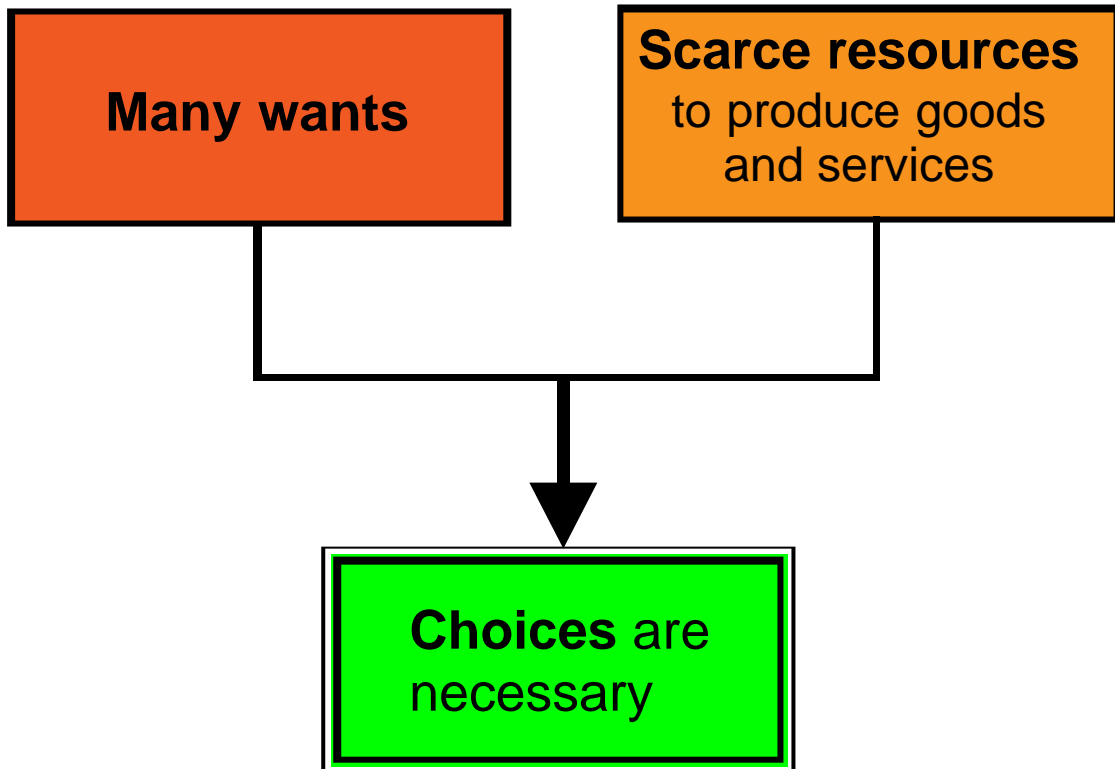


Choices ... the Gist of Economics

Economics is about making **choices**. Why?



Assumptions about the behaviour of individuals:

(Stephen Dobson and
Susan Palfreman:
Introduction to Economics,
OUP, 1999, pp. 3 and 4)

- 1 Self-interested behaviour
- 2 Maximizing behaviour
(rational behaviour)
- 3 Responding to incentives
- 4 Deciding at the margin