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HW#1 Due January 18, 2022

HW: From the table given in the previous example,

Choice	Value	Opportunity Cost
A	100	70
B	70	100
C	50	100

if the decision maker can choose 2 out of 3 choices, fill in the following table

Choice	Value	Opportunity Cost
A + B	170 <i>the most</i>	150 <i>the least</i>
A + C	150	170
B + C	120	170

Show that the decision to maximize value will give the same decision as the one to minimize opportunity cost.

The decision to maximize value will always be equivalent to the decision to minimize the opportunity cost. Because when we make a choice to choose the maximum value, the next best thing will always be the least opportunity cost compared to other decisions.