



# SEMINAR 1 – Instructions

The goal of this activity is to answer a question of ‘every day life economics’ in the same way you did in the question 4 of your writing assignment – « to *use a principle, or principles, discussed in the course to explain some pattern of events or behavior that you personally have observed.* » The only difference is that this time, a specific question will be assigned to your group.

This activity will be divided in two parts:

- **Part 1** <sup>(20min)</sup>: discuss the question with your group outside the classroom, write an answer and elect a speaker.
- **Part 2** <sup>(35min)</sup>: Back in the classroom you will explain your answer to the class (1 or 2 min) and discuss it with other groups.

The question your group will have to answer is the following:

(1) Why do people living in Uppsala pay money for products such as apples, pears, mushrooms or berries when they could pick them up for free in public parks and forests?  
(Andreas Baumann)

As a set of tools to help you dissect the functioning of reality, feel free to use the following economics concept seen in the literature: scarcity principle, cost-benefit analysis, comparative advantage, opportunity cost, equilibrium, efficiency, decreasing marginal utility, incentives, productivity, demand/supply model, inflation, price elasticity, market failures, profits, substitution etc.

Good luck!

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