ECN 330 – Chapter 10 extra homework options.

For the 3rd homework assignment, you can do any one of the following:

1. p. 197 # 3
2. p. 197 # 6

3. Explain how the extraction decision for a stock of minerals is similar to managing a bank account or other capital asset. Be sure to explain the idea of resource rent and use the idea of opportunity cost in your answer.

4. Explain how the price of nonrenewable resources is influenced by scarcity, the rate of extraction, and the availability of substitutes. What is a “backstop technology”? 