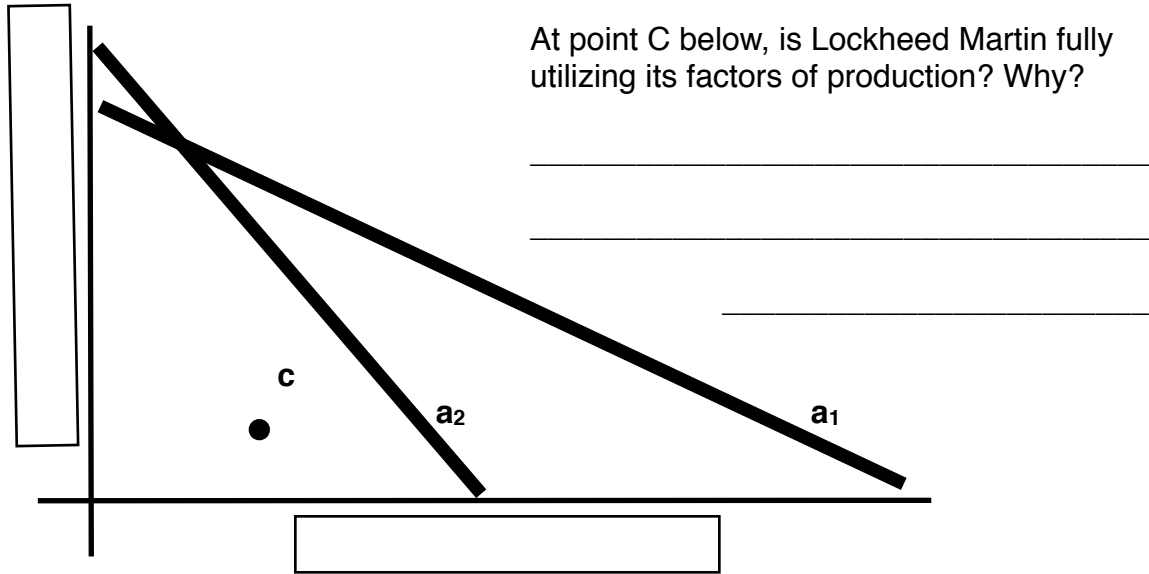


ASSIGNMENT: Non-Farms and Production Possibilities Frontier (PPF)

1.) Lockheed Martin, manufacturer of the F-35 Fighter Jet, earns approximately 80% of its revenue from military sales but also earns money from contracts for astronomical equipment development. ****Label the PPF with the core competency on the x-axis.****



Lockheed Martin's Production Possibilities Curve shifts from a_1 to a_2 as a result of reallocation of the factors of production. Utilizing the terms "capital," "entrepreneurship," and "opportunity cost," develop a scenario that could have precipitated this shift.

2.) Last Friday, the NFP was 148,000. Explain a) what the NFP is, b) what 148,000 represents, and c) why it is perhaps the most important number in Economics.
