2- Buying DVDs:- if the Price of DVDs drops from 29.99$ to 25.99$ it is likely to increase the quantity you buy for a couple of reasons:- Price effect:- A lower Price means that each DVD costs less, making it more affordable for you. with the same budget, you can now buy more DVDs than befor

Substitution Effect:- if the Price of DVD's decreases, they become relatively cheaper compared to other entertainment options. this may lead you to substitute DVDs for other forms of entertainment, increasing your overall quantity Purchased.

In both, the decreasese in price creates an incentive to buy more DVDs as the lower cost enchances your Purchasing Power and may shift your consumption choices.

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1- a chief goal of economic analysis is to help us understand the function of the economy and the forces influensing the choices people make under the constraints they face.

2- marginal analysis :- is based on the idea that it's possible for you to gain from engaging in more of an activity if the extra benifits exceed the extra costs of doing so.

3- Behavioral assumptions :- establish the motivations of individual so we can understands cause-and-effect relationships amoung economic variables. for example it's typically assumed that the owners of business firms seeks to maximize their annual profit from the sale of product.

4- it's considerd irrational disition.

5- an economic model is abstract because it dosn't attempt to capture all of the relevant influences on behavior, By concentrating on one goal even though this is not realistic, a model can more clearly unveil basic forces of cause and effect.

Excersize :-

1- Buying the suit :- Given that the marginal benefit of acquiring another suit is 200 $ and the price of the suit is 250 $, you would not buy one. As a rational-maker, you would only purchase the suit if the marginal benefit equals or exceeds the marginal cost. Since 200 $ (marginal benefit) is less than 250 $ (price) it would not worthwhile investment for you.