

YouTube Title: "No man can eat 50 eggs scene."

<http://youtu.be/ol1ybqLjrAk>

Alternate Link: <http://www.youtube.com/watch?v=kNyl6gXLMLQ>

The Economy Today Chapter 19: Consumer Choice

The Micro Economy Today Chapter 5: Consumer Choice

The Economy Today Learning Objective 1: Why demand curves are downward sloping.

Topic: The Demand Curve

Key Terms: Utility theory, diminishing marginal utility

Economic Application

This scene from "Cool Hand Luke" is a wonderful representation of diminishing marginal utility. Luke states that he can eat 50 eggs in one hour, and it is clear that each successive egg consumed yields less additional utility. The final eggs consumed by Luke yield negative marginal utility; his total satisfaction has been significantly reduced.

Multiple-Choice Question

Luke states that he can eat 50 eggs in an hour. As he continues to eat more and more eggs, he receives less and less pleasure or satisfaction for eating each egg. This illustrates:

- a) the law of supply.
- b) the nature of opportunity cost.
- c) a surplus of eggs.
- d) the law of diminishing marginal utility.
- e) total utility versus marginal utility.

(Ans: D)

Discussion Question

Describe the law of diminishing marginal utility.

Ans: *The marginal utility of a good declines as more of it is consumed in a given time period.*