**Aim: How and why does scarcity make choices necessary?**

**Topic: Introduction to Opportunity Costs**

**Economics Exercise: The Kidney Transplant**

You are members of the surgical team at New York Hospital. As a team you must decide which patients should receive kidney transplants as donated organs become available. Recently, the hospital received an organ donation from the family of an accident victim. You have five potential candidates for the transplant. As best as your team can determine, each of the five candidates’ bodies would accept the kidney without major threat of rejection. The cost of this operation, surgical fees and hospital care would come to approximately $150,000.

Your job is to: **1) Decide which patient will receive the kidney transplant.**

**2) What criteria did you use to evaluate each patient and come up with your final decision?**

**3)** **What do you lose/give up by picking your choice?**

Be prepared to explain your choice to the class (remember – only one can get the kidney!)

1. A ten year-old Indian girl living in Bombay, India, with wealthy parents. She is an only child who will not live to be an adult if she does not receive a new kidney. Her parents are willing to pay all the costs involved in the operation and treatment. They have even offered to pay a donor $50,000 for a healthy kidney.
2. A 40-year-old Canadian male construction worker with a wife and five children. Until recently, he provided most of the family’s income. Now his wife works at part-time jobs to earn the family income. His insurance would cover about one-half of the costs of the operation and post-operative care.
3. A 20 year-old male college student studying for the ministry. His family is middle income. His mother and father work as teachers in the local public school district. Their medical insurance does not cover this medical problem, so the family would be forced to borrow the money for the operation. He and his sister would have to postpone their college educations until these expenses are paid for.
4. A 55-year old male political leader from Latin America who spent his life fighting for the rights of the poor and uneducated people of his country. He and his wife are very popular, well respected people at home and in the international community for their humanitarian work. Their work is just bearing political fruit, and he may be elected president of his country if a kidney transplant allows his health to improve. He has no money, but the hospital could probably start a successful donation campaign to cover the cost of this operation. The publicity of the operation also would boost the prestige of the hospital.
5. A 30 year-old female working as a sales representative for the regional telephone company. She has no family. Her parents died in a car accident when she was 18. She is engaged and plans to marry as soon as her health improves as a result of the kidney transplant. Her health insurance will cover the costs of the operation.