Econ 2302 - Principles of Microeconomics - Assignment 1 Answer Section

MULTIPLE CHOICE

1.	ANS:	D	PTS:	1	DIF:	2	REF:	1-1		
	NAT:	Analytic	LOC:	Efficiency and	l equity	7	TOP:	Efficiency Equality		
	MSC:	Interpretive								
2.	ANS:	A	PTS:	1	DIF:	2	REF:	1-1		
	NAT:	Analytic	LOC:	Scarcity, trade	offs, a	nd opportunity	cost			
	TOP:	Opportunity c	ost		MSC:	Interpretive				
3.	ANS:	A	PTS:	1	DIF:	3	REF:	1-1		
	NAT:	Analytic	LOC:	Marginal costs	s & ber	nefits	TOP:	Marginal changes		
	MSC:	Applicative								
4.	ANS:	D	PTS:	1	DIF:	1	REF:	1-2		
	NAT:	Analytic	LOC:	Gains from tra	ide, spe	cialization and	trade			
	TOP:	Gains from tra	ade		MSC:	Interpretive				
5.	ANS:	C	PTS:	1	DIF:	2	REF:	1-2		
	NAT:	Analytic	LOC:	Gains from tra	ide, spe	cialization and	trade			
				Interpretive	•					
6.	ANS:		PTS:	_	DIF:	1	REF:	1-2		
	NAT:	Analytic	LOC:	Markets, mark	et failu	re, and externa	lities			
		Market econo				Definitional				
7.	ANS:	D	PTS:	1	DIF:	1	REF:	1-2		
	NAT:	Analytic	LOC:	Efficiency and				Efficiency		
		Applicative		Ĭ	1 2			•		
8.	ANS:	• •	PTS:	1	DIF:	1	REF:	1-2		
	NAT:	Analytic LOC: Markets, market failure, and externalities								
		Market failure		,		Definitional				
9.	ANS:	D	PTS:	1	DIF:	2	REF:	2-1		
				The study of e						
		Economists		Interpretive						
10.	ANS:	A	PTS:	-	DIF:	2	REF:	2-1		
		Analytic		The study of e						
		Economists		Interpretive						
11.	ANS:	D	PTS:	-	DIF:	2	REF:	2-1		
	NAT:	Analytic	LOC:	The study of e	conom	ics and definiti	ons in e	economics		
		Assumptions		Ž		Interpretive				
12.	ANS:	•	PTS:	1	DIF:	-	REF:	2-1		
		Analytic		Understanding						
		•	Circular-flow diagram			MSC: Interpretive				
13.	ANS:		PTS:		DIF:	_	REF:	2-1		
		Analytic		Understanding						
		Circular-flow			-	Interpretive				
14.	ANS:		PTS:		DIF:	2	REF:	2-1		
- "		Analytic		Understanding						
		Production po				Interpretive				
	•	Po				r				

15.	ANS:		PTS:		DIF:		REF:	
				C: Understanding and applying economic r				els
	TOP:	Production po						
16.			PTS:		DIF:		REF:	
		Analytic				pplying econon	nic mod	els
		Production po						
17.			PTS:		DIF:		REF:	
		-			-	pplying econon		
		Production po						Applicative
18.			PTS:		DIF:		REF:	
						pplying econon	nic mod	els
		Production po						
19.	ANS:		PTS:		DIF:		REF:	
		-		-	econom	ics and definiti		
	TOP:	Economists N	Vormat	ive statements				Interpretive
20.			PTS:		DIF:	2	REF:	
		Analytic	LOC:	Supply and de	emand		TOP:	Demand
		Applicative						
21.	ANS:		PTS:		DIF:		REF:	_
		•		•	g and a	pplying econon	nic mod	lels
		Production		Applicative				
22.	ANS:		PTS:		DIF:		REF:	
					g and a	pplying econon	nic mod	lels
		Production		•				
23.			PTS:		DIF:	_	REF:	
		Analytic				pplying econom	nic mod	els
		Production po						
24.	ANS:		PTS:		DIF:		REF:	3-2
		•			_	ecialization and		A 1' 4'
2.5		Absolute adva				-		Applicative
25.			PTS:		DIF:		REF:	3-2
				Scarcity, trade		nd opportunity	cost	
26		Opportunity c				Applicative	DEE	2.2
26.	ANS:		PTS:		DIF:		REF:	3-2
		Analytic		Gains from tra		ecialization and	trade	
27		Absolute adva	_	1		Applicative	DEE.	2.1
27.			PTS:		DIF:		REF:	
		Analytic Production		Analytical	g and a	pplying econon	ne moa	ieis
20				•	DIE.	2	DEE.	2.0
28.			PTS:		DIF:		REF:	3-2
		Analytic		Scarcity, trade		nd opportunity	cost	
20		Opportunity c		1		Analytical	DEE.	2.0
29.			PTS:		DIF:	2	REF:	3-2
		Analytic Specialization		Gains from tra	_	ecialization and	trade	
20		Specialization		1	DIF:	Interpretive	DEE.	2.2
30.		Analytic		1 Gains from tre		2 ecialization and	REF:	3-2
		Gains from tra		Gains Hom tr	_	Interpretive	uaut	
	101.	Gains Hom tra	ide		IVISC.	merpicuve		

31.	ANS:					3	REF:	3-2
				Scarcity, trade		nd opportunity	cost	
	TOP:	Opportunity c			MSC:	Applicative		
32.	ANS:				DIF:		REF:	3-2
						ecialization and	trade	
	TOP:	Absolute adva	ntage	Comparative ac	dvantag	ge	MSC:	Applicative
33.	ANS:	A	PTS:	1	DIF:	2	REF:	3-2
		•				nd opportunity	cost	
		Opportunity c				Applicative		
34.	ANS:				DIF:		REF:	3-2
		•		Scarcity, trade	-	nd opportunity	cost	
		Opportunity c				Applicative		
35.	ANS:				DIF:		REF:	3-2
						ecialization and		
			_	Comparative ac	-			Applicative
36.	ANS:		PTS:			2		3-2
		•		•		nd opportunity	cost	
	TOP:	Opportunity c	ost			Applicative		
37.	ANS:	D	PTS:	1	DIF:	1	REF:	3-3
					de, spe	ecialization and	trade	
		Exports	MSC:	Definitional				
38.	ANS:	A	PTS:	1	DIF:	2	REF:	3-3
	NAT:	Analytic	LOC:	Gains from tra	de, spe	ecialization and	trade	
	TOP:	Trade	MSC:	Interpretive				
39.	ANS:	D	PTS:	1	DIF:	1	REF:	4-1
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Competitive markets
	MSC:	Applicative						
40.	ANS:	A	PTS:	1	DIF:	1	REF:	4-1
		Analytic	LOC:	Perfect compe	tition		TOP:	Perfect competition
	MSC:	Definitional						
41.	ANS:	В	PTS:	1	DIF:	1	REF:	4-2
	NAT:	Analytic	LOC:	Supply and de	mand		TOP:	Law of demand
		Definitional						
42.	ANS:	В	PTS:	1	DIF:	2	REF:	4-2
	NAT:	Analytic	LOC:	Supply and de	mand		TOP:	Demand curve
	MSC:	Interpretive						
43.	ANS:	D	PTS:	1	DIF:	2	REF:	4-2
	NAT:	Analytic	LOC:	Supply and de	mand		TOP:	Market demand
	MSC:	Analytical						
44.	ANS:	C	PTS:	1	DIF:	2	REF:	4-2
	NAT:	Analytic	LOC:	Supply and de	mand		TOP:	Law of demand
	MSC:	Applicative						
45.	ANS:	В	PTS:	1	DIF:	2	REF:	4-2
	NAT:	Analytic	LOC:	Supply and de	mand		TOP:	Demand curve
	MSC:	Interpretive						
46.	ANS:	D	PTS:	1	DIF:	1	REF:	4-2
	NAT:	Analytic	LOC:	Supply and de	mand		TOP:	Complements
	MSC:	Definitional						

47.	ANS: C	PTS: 1	DIF:	2	REF:	4-3
	NAT: Analytic MSC: Interpretive	LOC: Su	ipply and demand		TOP:	Quantity supplied
48.	ANS: C	PTS: 1	DIF:	2	REF:	4-3
	NAT: Analytic		pply and demand	_		Law of supply
	MSC: Interpretive					
49.	ANS: C	PTS: 1	DIF:	2	REF:	4-3
	NAT: Analytic	LOC: Su	pply and demand		TOP:	Supply curve
	MSC: Interpretive					
50.	ANS: B	PTS: 1	DIF:	2	REF:	
	NAT: Analytic	LOC: Su	pply and demand		TOP:	Supply curve Quantity supplied
51	MSC: Interpretive ANS: B	PTS: 1	DIF:	2	REF:	4.2
31.	NAT: Analytic		pply and demand	2		Market supply
	MSC: Interpretive	LOC. Su	ippry and demand		101.	Warket suppry
52.	ANS: A	PTS: 1	DIF:	2.	REF:	4-3
52.	NAT: Analytic		pply and demand	_		Technology
	MSC: Interpretive		11 3			
53.	ANS: C	PTS: 1	DIF:	2	REF:	4-4
	NAT: Analytic	LOC: Su	pply and demand		TOP:	Surpluses
	MSC: Applicative					
54.	ANS: A	PTS: 1	DIF:	2	REF:	
	NAT: Analytic	LOC: Su	pply and demand		TOP:	Equilibrium Normal goods
	MSC: Analytical	DEEG 1	DIE	2	DEE	
55.	ANS: A	PTS: 1	DIF:	2	REF:	
	NAT: Analytic	LOC: Su	pply and demand		TOP:	Number of buyers
56	MSC: Applicative ANS: A	PTS: 1	DIF:	2	REF:	4.4
50.	NAT: Analytic		pply and demand	2		Demand Quantity supplied
	MSC: Applicative	Loc. bu	ppry una demana		101.	Demand Quantity Supplied
57.	ANS: D	PTS: 1	DIF:	2	REF:	4-4
	NAT: Analytic	LOC: Su	pply and demand			Input prices
	MSC: Applicative					
58.	ANS: D	PTS: 1	DIF:	1	REF:	
	NAT: Analytic	LOC: Su	pply and demand		TOP:	Market economies
7 0	MSC: Definitional	DEG 4	P.17			
59.	ANS: D	PTS: 1	DIF:		REF:	
	NAT: Analytic	LOC: Ela	asticity TOP:	Price elasticity	of der	nand
60	MSC: Interpretive ANS: B	PTS: 1	DIF:	2	REF:	5 1
00.	NAT: Analytic	LOC: Ela		Price elasticity		
	MSC: Applicative	LOC. Lie	asticity 101.	Thee clasticity	or uci	Hand
61.	ANS: B	PTS: 1	DIF:	1	REF:	5-1
·	NAT: Analytic	LOC: Ela		Inelastic dema		
	MSC: Definitional		·			
62.	ANS: A	PTS: 1	DIF:	2	REF:	5-1
	NAT: Analytic	LOC: Ela	asticity TOP:	Perfectly inela	stic de	mand
	MSC: Interpretive					

63.	ANS: A	PTS: 1	DIF:	2 REF: :	5-1
	-	LOC: Elasticity	TOP:	Total revenue Price e	lasticity of demand
	MSC: Applicative				
64.	ANS: C	PTS: 1	DIF:		•
	NAT: Analytic	LOC: Elasticity	TOP:	Total revenue Price e	lasticity of demand
	MSC: Analytical				
65.	ANS: A	PTS: 1	DIF:	2 REF:	5-1
	NAT: Analytic	LOC: Elasticity	TOP:	Total revenue Price e	elasticity of demand
	MSC: Applicative	•			•
66.	ANS: A	PTS: 1	DIF:	2 REF: 3	5-1
	NAT: Analytic	LOC: Elasticity	TOP:	Total revenue Price e	elasticity of demand
	MSC: Applicative	•			·
67.	ANS: A	PTS: 1	DIF:	2 REF:	5-1
	NAT: Analytic	LOC: Elasticity	TOP:	Midpoint method Pri	ce elasticity of demand
	MSC: Applicative				
68.	ANS: B	PTS: 1	DIF:	2 REF:	5-1
	NAT: Analytic	LOC: Elasticity	TOP:	Cross-price elasticity of	of demand
	MSC: Interpretive	•			
69.	ANS: D	PTS: 1	DIF:	2 REF:	5-2
	NAT: Analytic	LOC: Elasticity	TOP:	Price elasticity of supr	oly Perfectly elastic supply
	MSC: Interpretive	· · · · · · · · · · · · · · · · · ·			J
70.	-	PTS: 1	DIF:	2 REF:	5-2
	NAT: Analytic	LOC: Elasticity	TOP:	Price elasticity of supr	bly Perfectly inelastic supply
	MSC: Definitional	= 2 3. 21000000		viacitity of supp	, . = ====== supply
	mac. Echimona				