Econ 2302 - Principles of Microeconomics - Assignment 3 Answer Section

MULTIPLE CHOICE

1.	ANS:		PTS:		DIF:		REF:	
		Analytic		Understanding		oplying econon	nic mod	lels
		Excludability			MSC:	Applicative		
2.	ANS:	C	PTS:	1	DIF:	2	REF:	11-1
	NAT:	Analytic	LOC:	Understanding	g and ap	oplying econon	nic mod	lels
	TOP:	Common reso	urces		MSC:	Applicative		
3.	ANS:	C	PTS:	1	DIF:	2	REF:	11-1
	NAT:	Analytic	LOC:	The study of e	conom	ics and definiti	ons in e	economics
	TOP:	Private goods			MSC:	Interpretive		
4.	ANS:	A	PTS:	1	DIF:	2	REF:	11-2
	NAT:	Analytic	LOC:	The study of e	conom	ics and definiti	ons in e	economics
	TOP:	Public goods			MSC:	Applicative		
5.	ANS:	C	PTS:	1	DIF:	2	REF:	11-2
	NAT:	Analytic	LOC:	Markets, mark	et failu	re, and externa	lities	
	TOP:	Public goods			MSC:	Interpretive		
6.	ANS:	В	PTS:	1	DIF:	2	REF:	11-2
	NAT:	Analytic	LOC:	Markets, mark	et failu	re, and externa	lities	
	TOP:	Excludability			MSC:	Applicative		
7.	ANS:	C	PTS:	1	DIF:	2	REF:	11-3
	NAT:	Analytic	LOC:	Markets, mark	et failu	re, and externa	lities	
	TOP:	Common reso	urces		MSC:	Interpretive		
8.	ANS:	D	PTS:	1	DIF:	2	REF:	11-3
	NAT:	Analytic	LOC:	Understanding	g and ap	oplying econon	nic mod	lels
	TOP:	Common reso	urces		MSC:	Applicative		
9.	ANS:	C	PTS:	1	DIF:	2	REF:	11-3
	NAT:	Analytic	LOC:	Markets, mark	et failu	re, and externa	lities	
	TOP:	Tragedy of the				Applicative		
10.	ANS:	C	PTS:		DIF:		REF:	
		Analytic				oplying econon		
		Excludability		-				Applicative
11.	ANS:	_	PTS:		DIF:		REF:	11-4
		•		Markets, mark		re, and externa	lities	
		Property right			MSC:	Applicative		
12.	ANS:		PTS:		DIF:		REF:	12-2
		Analytic	LOC:	Efficiency and	l equity	,	TOP:	Taxes
		Interpretive						
13.	ANS:		PTS:		DIF:		REF:	
		Analytic	LOC:	The role of go	vernme	ent	TOP:	Taxes
		Analytical						
14.	ANS:		PTS:		DIF:		REF:	
		Analytic	LOC:	Efficiency and	l equity	,	TOP:	Taxes
	MSC:	Interpretive						

15.	ANS:		PTS:		DIF:		REF:	
	MSC:	Analytic Applicative	LOC:	Efficiency and	equity		TOP:	Deadweight loss
16.	ANS:	D	PTS:		DIF:	_	REF:	12-2
		Analytic Interpretive	LOC:	Efficiency and	equity		TOP:	Deadweight loss
17.	ANS:	В	PTS:	1	DIF:	3	REF:	12-2
	NAT:	Analytic	LOC:	Efficiency and	equity			
	TOP:	Average tax ra	ates M	arginal tax rate	S		MSC:	Analytical
18.	ANS:	В	PTS:	1	DIF:	3	REF:	12-2
	NAT:	Analytic	LOC:	Efficiency and	l equity			
	TOP:	Marginal tax r	ates A	verage tax rate	S		MSC:	Analytical
19.	ANS:	В	PTS:	1	DIF:	2	REF:	12-2
		Analytic	LOC:	Efficiency and	l equity		TOP:	Marginal tax rates
	MSC:	Analytical						
20.	ANS:	В	PTS:		DIF:		REF:	
		Analytic	LOC:	Efficiency and	l equity		TOP:	Benefits principle
		Interpretive						
21.	ANS:	A	PTS:	1	DIF:	1	REF:	12-3
		Analytic	LOC:	Efficiency and	l equity		TOP:	Ability-to-pay principle
	MSC:	Definitional						
22.	ANS:	В	PTS:	1	DIF:	2	REF:	12-3
		Analytic	LOC:	Efficiency and	l equity		TOP:	Regressive taxes
		Applicative						
23.	ANS:		PTS:		DIF:		REF:	
		Analytic	LOC:	Efficiency and	l equity		TOP:	Progressive taxes
		Analytical						
24.	ANS:		PTS:		DIF:	2	REF:	
		Analytic	LOC:	Costs of produ	ction		TOP:	Total cost
		Definitional						
25.	ANS:		PTS:		DIF:	2	REF:	
		Analytic	LOC:	Costs of produ	iction		TOP:	Opportunity cost
		Analytical				_		
26.	ANS:		PTS:		DIF:	2	REF:	
		Analytic	LOC:	Costs of produ	iction		TOP:	Implicit costs
27		Interpretive	DTC	1	DIE	0	DEE	12.1
27.	ANS:		PTS:		DIF:	2	REF:	
		Analytic	LUC:	Costs of produ	iction		TOP:	Opportunity cost
20	ANS:	Analytical	DTC.	1	DIE.	2	DEE.	12 1
28.			PTS:		DIF:	2	REF:	
		Analytic Applicative	LUC:	Costs of produ	iction		TOP:	Accounting profit
20	ANS:		PTS:	1	DIF:	1	REF:	12.2
29.		Analytic				1		Production function
		Definitional	LUC.	Costs of produ	CHUII		IUF.	1 TOURCHOIL TUILCHOIL
30.	ANS:		PTS:	1	DIF:	2	REF:	13-2
50.		Analytic		Costs of produ		<u> </u>		Total-cost curve
		Interpretive	LOC.	Costs of produ			101.	Total Cost Carve
	1,100.	morpronve						

31.		Analytic	PTS: LOC:	1 Costs of produ		1	REF: TOP:	13-3 Average total cost
32.	ANS:		PTS:		DIF:	2	REF:	
	MSC:	Analytic Applicative		Costs of produ				Variable costs
33.		C Analytic	PTS: LOC:	1 Costs of produ	DIF:	2	REF: TOP:	13-3 Fixed costs
	MSC:	Analytical		•				
34.		_	PTS:		DIF:	2	REF:	13-3
		Analytic Marginal aget		Costs of produ		****	MCC.	Interpretive
25		-		Average-total-				Interpretive
35.			PTS:			2	REF:	
		Analytic	LUC:	Costs of produ	cuon		TOP:	Cost curves
26		Applicative	DTC.	1	DIE.	1	DEE.	12.4
36.		_	PTS:			1	REF:	
		Analytic Interpretive	LUC:	Costs of produ	cuon		TOP:	Short run Long run
27		Interpretive	PTS:	1	DIE.	1	DEE.	12.4
37.		_				1	REF:	Short run
		Analytic Interpretive	LOC:	Costs of produ	Cuon		TOP:	Short run
20		_	PTS:	1	DIF:	2	DEE.	1.4.1
38.						2	REF:	
		Analytic Interpretive	LOC:	Perfect compe	шиоп		TOP:	Competitive markets
39.	ANS:	A	PTS:	1	DIF:	2	REF:	14-1
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Competitive markets
	MSC:	Interpretive		_				-
40.	ANS:	D	PTS:	1	DIF:	2	REF:	14-1
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Marginal revenue
	MSC:	Analytical						
41.	ANS:	D	PTS:	1	DIF:	2	REF:	14-1
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Total revenue
	MSC:	Applicative		_				
42.	ANS:	C	PTS:	1	DIF:	1	REF:	14-1
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Marginal revenue
	MSC:	Interpretive		_				
43.	ANS:	D	PTS:	1	DIF:	2	REF:	14-2
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Profit maximization
	MSC:	Interpretive		_				
44.	ANS:	D	PTS:	1	DIF:	2	REF:	14-2
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Profit maximization
	MSC:	Applicative						
45.	ANS:	D	PTS:	1	DIF:	2	REF:	14-2
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Supply curve
	MSC:	Interpretive		-				
46.	ANS:	D	PTS:	1	DIF:	1	REF:	14-3
	NAT:	Analytic	LOC:	Perfect compe	tition		TOP:	Accounting profit
	MSC:	Interpretive		_				

47.	ANS: C		PTS: LOC:	1 Perfect compe	DIF:	2	REF: TOP:	14-3 Zero-profit condition
48		nterpretive	PTS:	•		2	REF:	-
	NAT: A			Perfect compe		_		Long-run supply curve
49.			PTS:	1 Perfect compe	DIF:	2	REF:	14-3 Long-run supply curve
50.		nterpretive	PTS:	•	DIF:	2	REF:	
50.	NAT: A			Perfect compe		2		Long-run supply curve
51.	ANS: D)	PTS:			2	REF:	
50	MSC: In	nterpretive		Perfect compe		1		Competitive markets
52.	ANS: B		PTS:		DIF:		REF:	Interpretive
53	ANS: D	•	PTS:		DIF:		REF:	_
55.	NAT: A							Definitional
54.	ANS: D	•	PTS:		DIF:		REF:	
٠.,	NAT: A					Barriers to ent		
		applicative		r			J	
55.	ANS: A		PTS:	1	DIF:	2	REF:	15-1
	NAT: A	nalytic	LOC:	Monopoly	TOP:	Barriers to ent	ry	
		applicative		1 7			•	
56.	ANS: C		PTS:	1	DIF:	2	REF:	15-1
	NAT: A	nalytic	LOC:	Monopoly	TOP:	Barriers to ent	ry	
	MSC: In	nterpretive						
57.	ANS: C	•	PTS:	1	DIF:	2	REF:	15-2
	NAT: A	nalytic	LOC:	Monopoly	TOP:	Monopoly	MSC:	Interpretive
58.	ANS: B	}	PTS:		DIF:		REF:	15-2
	NAT: A	nalytic	LOC:	Monopoly	TOP:	Monopoly	MSC:	Interpretive
59.	ANS: B	}	PTS:	1	DIF:	2	REF:	15-2
	NAT: A	•	LOC:	Monopoly	TOP:	Marginal rever	nue	
		nterpretive						
60.	ANS: A		PTS:		DIF:		REF:	15-2
	NAT: A	•	LOC:	Monopoly	TOP:	Marginal rever	nue	
		applicative						
61.	ANS: C		PTS:		DIF:		REF:	
	NAT: A	-		Monopoly		_		Interpretive
62.	ANS: C		PTS:		DIF:		REF:	
	NAT: A		LOC:	Monopoly	TOP:	Monopoly Pe	erfect c	ompetition
		nterpretive						
63.	ANS: B		PTS:		DIF:		REF:	
	NAT: A			1 -				Applicative
64.	ANS: B		PTS:		DIF:	2	REF:	
	NAT: A	nalytic	LOC:	Monopoly	TOP:	Welfare	MSC:	Interpretive

65.	ANS:	В	PTS:	1	DIF:	2	REF:	15-3
	NAT:	Analytic	LOC:	Monopoly	TOP:	Profit maximiz	zation	
	MSC:	Analytical						
66.	ANS:	В	PTS:	1	DIF:	2	REF:	15-4
	NAT:	Analytic	LOC:	Monopoly	TOP:	Price discrimi	nation	
	MSC:	Definitional						
67.	ANS:	D	PTS:	1	DIF:	3	REF:	15-4
	NAT:	Analytic	LOC:	Monopoly	TOP:	Perfect price d	liscrimi	nation
	MSC:	Applicative						
68.	ANS:	D	PTS:	1	DIF:	2	REF:	15-4
	NAT:	Analytic	LOC:	Monopoly	TOP:	Arbitrage Pri	ce disci	rimination
	MSC:	Interpretive						
69.	ANS:	D	PTS:	1	DIF:	2	REF:	15-5
	NAT:	Analytic	LOC:	Monopoly	TOP:	Regulation N	Vatural	monopoly
	MSC:	Interpretive						
70.	ANS:	D	PTS:	1	DIF:	2	REF:	15-6
	NAT:	Analytic	LOC:	Monopoly	TOP:	Monopoly	MSC:	Interpretive