

Econ 2302 - Principles of Microeconomics - Assignment 3

Answer Section

MULTIPLE CHOICE

1. ANS: D PTS: 1 DIF: 2 REF: 11-1
 NAT: Analytic LOC: Understanding and applying economic models
 TOP: Excludability MSC: Applicative
2. ANS: C PTS: 1 DIF: 2 REF: 11-1
 NAT: Analytic LOC: Understanding and applying economic models
 TOP: Common resources MSC: Applicative
3. ANS: C PTS: 1 DIF: 2 REF: 11-1
 NAT: Analytic LOC: The study of economics and definitions in economics
 TOP: Private goods MSC: Interpretive
4. ANS: A PTS: 1 DIF: 2 REF: 11-2
 NAT: Analytic LOC: The study of economics and definitions in economics
 TOP: Public goods MSC: Applicative
5. ANS: C PTS: 1 DIF: 2 REF: 11-2
 NAT: Analytic LOC: Markets, market failure, and externalities
 TOP: Public goods MSC: Interpretive
6. ANS: B PTS: 1 DIF: 2 REF: 11-2
 NAT: Analytic LOC: Markets, market failure, and externalities
 TOP: Excludability MSC: Applicative
7. ANS: C PTS: 1 DIF: 2 REF: 11-3
 NAT: Analytic LOC: Markets, market failure, and externalities
 TOP: Common resources MSC: Interpretive
8. ANS: D PTS: 1 DIF: 2 REF: 11-3
 NAT: Analytic LOC: Understanding and applying economic models
 TOP: Common resources MSC: Applicative
9. ANS: C PTS: 1 DIF: 2 REF: 11-3
 NAT: Analytic LOC: Markets, market failure, and externalities
 TOP: Tragedy of the Commons MSC: Applicative
10. ANS: C PTS: 1 DIF: 2 REF: 11-3
 NAT: Analytic LOC: Understanding and applying economic models
 TOP: Excludability | Rivalry in consumption MSC: Applicative
11. ANS: C PTS: 1 DIF: 2 REF: 11-4
 NAT: Analytic LOC: Markets, market failure, and externalities
 TOP: Property rights MSC: Applicative
12. ANS: C PTS: 1 DIF: 2 REF: 12-2
 NAT: Analytic LOC: Efficiency and equity TOP: Taxes
 MSC: Interpretive
13. ANS: D PTS: 1 DIF: 2 REF: 12-2
 NAT: Analytic LOC: The role of government TOP: Taxes
 MSC: Analytical
14. ANS: D PTS: 1 DIF: 1 REF: 12-2
 NAT: Analytic LOC: Efficiency and equity TOP: Taxes
 MSC: Interpretive

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| 15. | ANS: A
NAT: Analytic
MSC: Applicative | PTS: 1
LOC: Efficiency and equity | DIF: 2 | REF: 12-2
TOP: Deadweight loss |
| 16. | ANS: D
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Efficiency and equity | DIF: 3 | REF: 12-2
TOP: Deadweight loss |
| 17. | ANS: B
NAT: Analytic
TOP: Average tax rates Marginal tax rates | PTS: 1
LOC: Efficiency and equity | DIF: 3 | REF: 12-2
MSC: Analytical |
| 18. | ANS: B
NAT: Analytic
TOP: Marginal tax rates Average tax rates | PTS: 1
LOC: Efficiency and equity | DIF: 3 | REF: 12-2
MSC: Analytical |
| 19. | ANS: B
NAT: Analytic
MSC: Analytical | PTS: 1
LOC: Efficiency and equity | DIF: 2 | REF: 12-2
TOP: Marginal tax rates |
| 20. | ANS: B
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Efficiency and equity | DIF: 2 | REF: 12-3
TOP: Benefits principle |
| 21. | ANS: A
NAT: Analytic
MSC: Definitional | PTS: 1
LOC: Efficiency and equity | DIF: 1 | REF: 12-3
TOP: Ability-to-pay principle |
| 22. | ANS: B
NAT: Analytic
MSC: Applicative | PTS: 1
LOC: Efficiency and equity | DIF: 2 | REF: 12-3
TOP: Regressive taxes |
| 23. | ANS: D
NAT: Analytic
MSC: Analytical | PTS: 1
LOC: Efficiency and equity | DIF: 3 | REF: 12-3
TOP: Progressive taxes |
| 24. | ANS: A
NAT: Analytic
MSC: Definitional | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-1
TOP: Total cost |
| 25. | ANS: C
NAT: Analytic
MSC: Analytical | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-1
TOP: Opportunity cost |
| 26. | ANS: A
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-1
TOP: Implicit costs |
| 27. | ANS: B
NAT: Analytic
MSC: Analytical | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-1
TOP: Opportunity cost |
| 28. | ANS: D
NAT: Analytic
MSC: Applicative | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-1
TOP: Accounting profit |
| 29. | ANS: B
NAT: Analytic
MSC: Definitional | PTS: 1
LOC: Costs of production | DIF: 1 | REF: 13-2
TOP: Production function |
| 30. | ANS: B
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-2
TOP: Total-cost curve |

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| 31. | ANS: C
NAT: Analytic
MSC: Definitional | PTS: 1
LOC: Costs of production | DIF: 1 | REF: 13-3
TOP: Average total cost |
| 32. | ANS: D
NAT: Analytic
MSC: Applicative | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-3
TOP: Variable costs |
| 33. | ANS: C
NAT: Analytic
MSC: Analytical | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-3
TOP: Fixed costs |
| 34. | ANS: C
NAT: Analytic
TOP: Marginal-cost curve Average-total-cost curve | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-3
MSC: Interpretive |
| 35. | ANS: A
NAT: Analytic
MSC: Applicative | PTS: 1
LOC: Costs of production | DIF: 2 | REF: 13-3
TOP: Cost curves |
| 36. | ANS: B
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Costs of production | DIF: 1 | REF: 13-4
TOP: Short run Long run |
| 37. | ANS: C
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Costs of production | DIF: 1 | REF: 13-4
TOP: Short run |
| 38. | ANS: C
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Perfect competition | DIF: 2 | REF: 14-1
TOP: Competitive markets |
| 39. | ANS: A
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Perfect competition | DIF: 2 | REF: 14-1
TOP: Competitive markets |
| 40. | ANS: D
NAT: Analytic
MSC: Analytical | PTS: 1
LOC: Perfect competition | DIF: 2 | REF: 14-1
TOP: Marginal revenue |
| 41. | ANS: D
NAT: Analytic
MSC: Applicative | PTS: 1
LOC: Perfect competition | DIF: 2 | REF: 14-1
TOP: Total revenue |
| 42. | ANS: C
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Perfect competition | DIF: 1 | REF: 14-1
TOP: Marginal revenue |
| 43. | ANS: D
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Perfect competition | DIF: 2 | REF: 14-2
TOP: Profit maximization |
| 44. | ANS: D
NAT: Analytic
MSC: Applicative | PTS: 1
LOC: Perfect competition | DIF: 2 | REF: 14-2
TOP: Profit maximization |
| 45. | ANS: D
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Perfect competition | DIF: 2 | REF: 14-2
TOP: Supply curve |
| 46. | ANS: D
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Perfect competition | DIF: 1 | REF: 14-3
TOP: Accounting profit |

47.	ANS: C NAT: Analytic MSC: Interpretive	PTS: 1 LOC: Perfect competition	DIF: 2	REF: 14-3 TOP: Zero-profit condition
48.	ANS: A NAT: Analytic MSC: Interpretive	PTS: 1 LOC: Perfect competition	DIF: 2	REF: 14-3 TOP: Long-run supply curve
49.	ANS: C NAT: Analytic MSC: Interpretive	PTS: 1 LOC: Perfect competition	DIF: 2	REF: 14-3 TOP: Long-run supply curve
50.	ANS: A NAT: Analytic MSC: Interpretive	PTS: 1 LOC: Perfect competition	DIF: 2	REF: 14-3 TOP: Long-run supply curve
51.	ANS: D NAT: Analytic MSC: Interpretive	PTS: 1 LOC: Perfect competition	DIF: 2	REF: 14-4 TOP: Competitive markets
52.	ANS: B NAT: Analytic	PTS: 1 LOC: Monopoly	DIF: 1 TOP: Monopoly	REF: 15-0 MSC: Interpretive
53.	ANS: D NAT: Analytic	PTS: 1 LOC: Monopoly	DIF: 1 TOP: Monopoly	REF: 15-1 MSC: Definitional
54.	ANS: D NAT: Analytic MSC: Applicative	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Barriers to entry	REF: 15-1
55.	ANS: A NAT: Analytic MSC: Applicative	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Barriers to entry	REF: 15-1
56.	ANS: C NAT: Analytic MSC: Interpretive	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Barriers to entry	REF: 15-1
57.	ANS: C NAT: Analytic	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Monopoly	REF: 15-2 MSC: Interpretive
58.	ANS: B NAT: Analytic	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Monopoly	REF: 15-2 MSC: Interpretive
59.	ANS: B NAT: Analytic MSC: Interpretive	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Marginal revenue	REF: 15-2
60.	ANS: A NAT: Analytic MSC: Applicative	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Marginal revenue	REF: 15-2
61.	ANS: C NAT: Analytic	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Pricing	REF: 15-2 MSC: Interpretive
62.	ANS: C NAT: Analytic MSC: Interpretive	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Monopoly Perfect competition	REF: 15-2
63.	ANS: B NAT: Analytic	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Fixed costs	REF: 15-2 MSC: Applicative
64.	ANS: B NAT: Analytic	PTS: 1 LOC: Monopoly	DIF: 2 TOP: Welfare	REF: 15-3 MSC: Interpretive

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| 65. | ANS: B
NAT: Analytic
MSC: Analytical | PTS: 1
LOC: Monopoly | DIF: 2
TOP: Profit maximization | REF: 15-3 |
| 66. | ANS: B
NAT: Analytic
MSC: Definitional | PTS: 1
LOC: Monopoly | DIF: 2
TOP: Price discrimination | REF: 15-4 |
| 67. | ANS: D
NAT: Analytic
MSC: Applicative | PTS: 1
LOC: Monopoly | DIF: 3
TOP: Perfect price discrimination | REF: 15-4 |
| 68. | ANS: D
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Monopoly | DIF: 2
TOP: Arbitrage Price discrimination | REF: 15-4 |
| 69. | ANS: D
NAT: Analytic
MSC: Interpretive | PTS: 1
LOC: Monopoly | DIF: 2
TOP: Regulation Natural monopoly | REF: 15-5 |
| 70. | ANS: D
NAT: Analytic | PTS: 1
LOC: Monopoly | DIF: 2
TOP: Monopoly | REF: 15-6
MSC: Interpretive |