Quiz (chapter 1)

Due Jan 30 at 11:59pm

Points 13

Questions 13

Available Jan 28 at 12am - Jan 30 at 11:59pm 3 days

Time Limit 30 Minutes

Instructions

This quiz covers material from chapter 1.

The time limit is 30 minutes.

This quiz was locked Jan 30 at 11:59pm.

Attempt History

	Attempt	Time	Score
LATEST	Attempt 1	6 minutes	12 out of 13

Score for this quiz: **12** out of 13 Submitted Jan 28 at 2:38pm This attempt took 6 minutes.

Question 1	1 / 1 pts
The English word that comes from the Greek word for "one who manages as is	a household"
market.	
oconsumer.	
oproducer.	
economy.	

Correct!

Which of the following is correct? The word economy comes from the Greek word for "rational thinker." Economists study the management of scarce resources. Because economists believe that people pursue their best interests, they are not interested in how people interact. All of the above are correct.

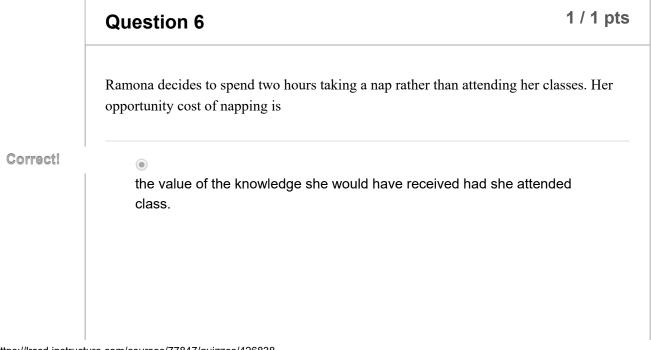
John is an athlete. He has \$120 to spend and wants to buy either a heart rate monitor or new running shoes. Both the heart rate monitor and running shoes cost \$120, so he can only buy one. This illustrates the principle that trade can make everyone better off. people face trade-offs. rational people think at the margin. people respond to incentives.

Question 4 1 / 1 pts

Guns and butter are used to represent the classic societal tradeoff between spending on

Correct!	durable and nondurable goods.
	imports and exports.
	national defense and consumer goods.
	law enforcement and agriculture.

Which of the following phrases best captures the notion of efficiency? absolute fairness equal distribution minimum waste equitable outcome





- the value of her nap minus the value of attending class.
- onothing, since she valued sleep more than attendance at class.

Question 7 1 / 1 pts

The opportunity cost of going to college is

the total spent on food, clothing, books, transportation, tuition, lodging, and other expenses.

Correct!

- the value of the best opportunity a student gives up to attend college.
- zero for students who are fortunate enough to have all of their college expenses paid by someone else.
- zero, since a college education will allow a student to earn a larger income after graduation.

Question 8 1 / 1 pts

Annie is an excellent baker and Sam has a plentiful farm. If Sam trades eggs and butter to Annie for some of Annie's bread and pastries,

Correct!	only Sam is made better off by trade.
	only Annie is made better off by trade.
	both Sam and Annie are made better off by trade.
	neither Sam nor Annie are made better off by trade.

	Question 9	1 / 1 pts
	Market failure can be caused by	
	low consumer demand.	
	equilibrium prices.	
Correct!	externalities and market power.	
	high prices and foreign competition.	

	Question 10 1 / 1 pts	>
	Equality refers to how the pie is divided, and efficiency refers to the size of the economic pie.	2
Correct!	True	-
	False	

	W (9
	Question 11	0 / 1 pts
	The invisible hand ensures that economic prosperity is distributed equ	ally.
u Answered	True	
rrect Answe	False	
	Question 12	1 / 1 pts
	Communist countries worked on the premise that government officials position to allocate the economy's scarce resources.	s were in the best
Correct!	True	
	False	
	Question 13	1 / 1 pts
	Inflation increases the value of money.	
	True	
Correct!	© Folio	

Quiz Score: 12 out of 13

False