

Quiz (chapter 2)

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 2.

The time limit is 30 minutes.

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

Attempt History

| | Attempt | Time | Score |
|--------|---------------------------|-----------|--------------|
| LATEST | Attempt 1 | 8 minutes | 11 out of 13 |

Score for this quiz: **11** out of 13

Submitted Jan 28 at 3:53pm

This attempt took 8 minutes.

Question 1

1 / 1 pts

In the circular-flow diagram, which of the following items flows from households to firms through the markets for the factors of production?

- ☐ goods and services
- ☒ land, labor, and capital
- ☐ dollars spent on goods and services
- ☐ wages, rent, and profit

Correct!

Question 2**1 / 1 pts**

According to the circular flow diagram, if Suzy is a worker who delivers flowers for Happy Day Flower Company, she participates

Correct!

- ☒ in the markets for factors of production exchanging labor for income.
- ☐ in the markets for factors of production exchanging flowers for revenue.
- ☐ in the markets for goods and services exchanging flowers for wages, rent, and profit.
- ☐ in the markets for goods and services exchanging labor for income.

Question 3**0 / 1 pts**

In the circular-flow diagram, which of the following items flows from firms to households through the markets for the factors of production?

You Answered

- ☐ goods and services
- ☐ land, labor, and capital
- ☒ dollars spent on goods and services

Correct Answer

- ☐ wages, rent, and profit

Question 4**1 / 1 pts**

In the circular-flow diagram, which of the following items flows from firms to households through the markets for goods and services?

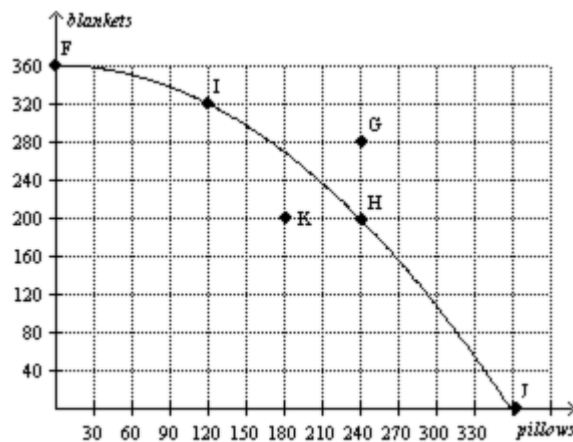
Correct!

- ☒ goods and services
- ☐ dollars paid to land, labor, and capital
- ☐ dollars spent on goods and services
- ☐ wages, rent, and profit

Question 5

1 / 1 pts

Figure 2-6

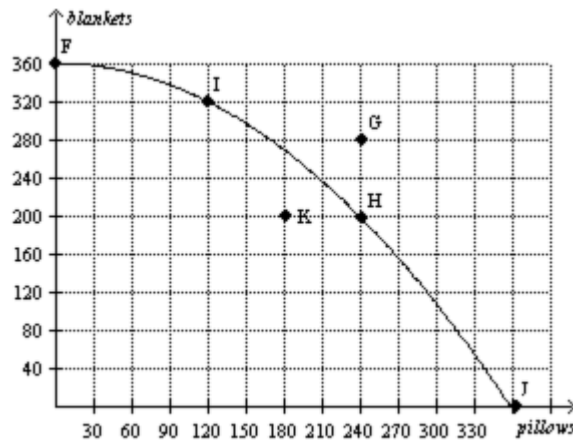


Refer to Figure 2-6. If this economy devotes all of its resources to the production of blankets, then it will produce

- ☐ 0 blankets and 360 pillows.
- ☐ 200 blankets and 240 pillows.
- ☐ 320 blankets and 120 pillows.

Correct!

- ☒ 360 blankets and 0 pillows.

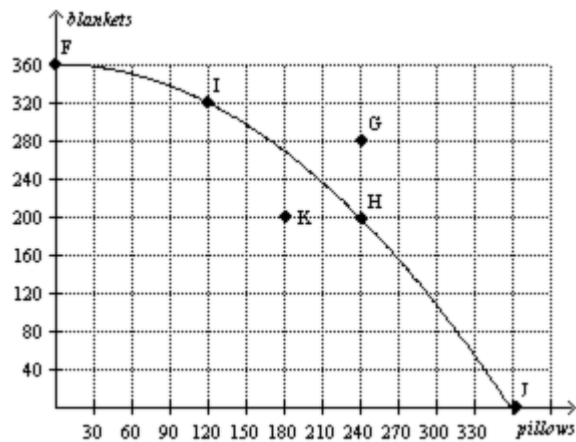
Question 6**1 / 1 pts****Figure 2-6**

Refer to Figure 2-6. A movement from point H to point K could be caused by

Correct!

- ☒ unemployment.
- ☐ a decrease in society's preference for pillows.
- ☐ fewer resources available for production of pillows.
- ☐ All of the above are correct.

Question 7**1 / 1 pts****Figure 2-6**



Refer to Figure 2-6. If this economy moves from point F to point G, then which of the following statements is correct?



This economy has moved from a point of inefficient production to a point of efficient production.



This economy has experienced economic growth.



This economy has experienced an increase in employment.



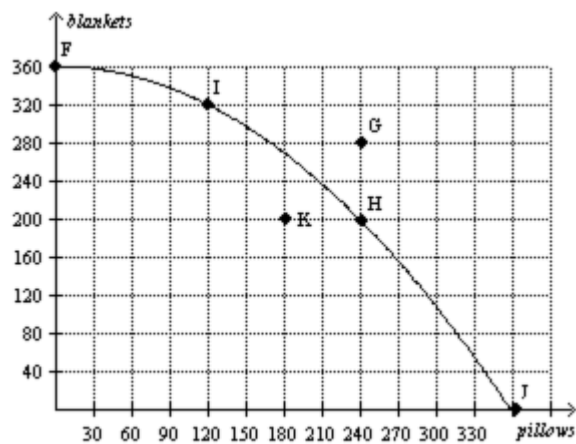
None of the above is correct.

Correct!

Question 8

1 / 1 pts

Figure 2-6



Refer to Figure 2-6. The opportunity cost of this economy moving from point I to point H is

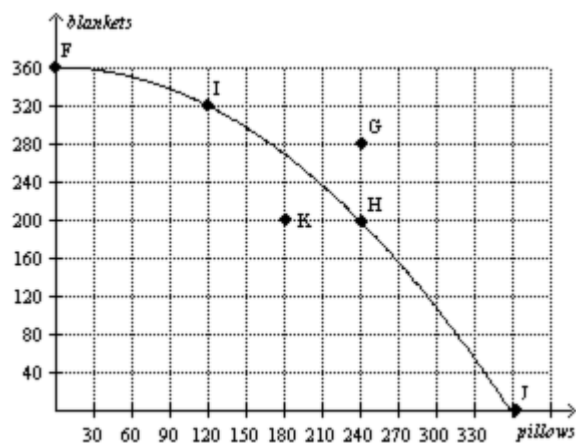
- ☐ 120 pillows.
- ☒ 120 blankets.
- ☐ 120 blankets and 120 pillows.
- ☐ 200 blankets.

Correct!

Question 9

1 / 1 pts

Figure 2-6



Refer to Figure 2-6. The opportunity cost of this economy moving from point I to point F is

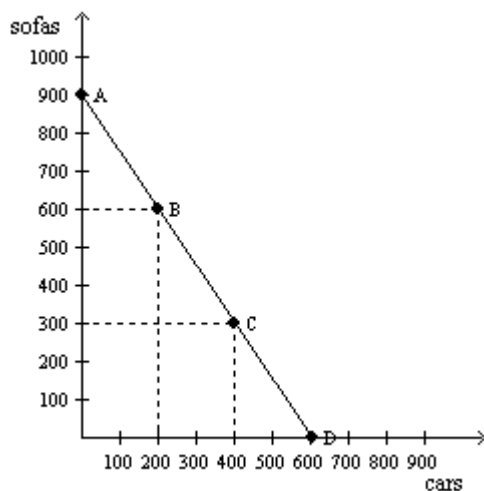
- ☐ zero.
- ☐ 40 blankets.
- ☒ 120 pillows.
- ☐ 360 blankets.

Correct!

Question 10

1 / 1 pts

Figure 2-15



Refer to Figure 2-15. Consider the production possibilities frontier for an economy that produces only sofas and cars. The opportunity cost of each car is

- ☐ the slope of the production possibilities frontier.
- ☐ 3/2 sofas.
- ☐ 2/3 of a sofa.

Correct!

- ☒ Both a and b are correct.

Question 11**1 / 1 pts**

Normative statements are

Correct!

- ☒ prescriptive, whereas positive statements are descriptive.
- ☐ descriptive, whereas positive statements are prescriptive.
- ☐ backward-looking, whereas positive statements are forward-looking.
- ☐ forward-looking, whereas positive statements are backward-looking.

Question 12**1 / 1 pts**

Positive statements are

Correct!

- ☐ prescriptive.
- ☐ claims about how the world should be.
- ☒ claims about how the world is.
- ☐ made by economists speaking as policy advisers.

Question 13**0 / 1 pts**

Which of the following is an example of a normative - as opposed to a positive - statement?



The discount rate is the interest rate the Federal Reserve charges banks to borrow funds.

You Answered



The US income tax rate increases with the amount of income earned.

Correct Answer



The government should increase the tax on gasoline.



The US unemployment rate increased to 10 percent in 2009.

Quiz Score: **11** out of 13