Homework (chapter 12)

Due Feb 10 at 11:59pm	**Points** 20	**Questions** 20
Available until Feb 10 at 11:59pm	**Time Limit** None	**Allowed Attempts** 2

Instructions

This required homework assignment covers material from chapter 12.

Homework answers may be saved and returned to, as long as it is within the deadline. To do so, remember to save your responses before leaving the Canvas website, and do not click on the "Submit" button (or Canvas will automatically grade your assignment and you will have no way of changing your answers). If you start the quiz before the deadline but do not finish by the deadline, Canvas will submit the homework for you at the deadline.

This quiz was locked Feb 10 at 11:59pm.

Attempt History

	Attempt	Time	Score
LATEST	**Attempt 1**	14 minutes	19 out of 20

Score for this attempt: **19** out of 20
Submitted Feb 4 at 5:10pm
This attempt took 14 minutes.

Question 1	**1 / 1 pts**

Productivity is the amount of goods and services

○   an economy produces. It is not linked to a nation's economic policies.

○   an economy produces. It is linked to a nation's economic policies.

○

produced for each hour of a worker's time. It is not linked to a nation's economic policies.

Correct!

◉

produced for each hour of a worker's time. It is linked to a nation's economic policies.

Question 2

1 / 1 pts

Human capital is the

Correct!

◉

knowledge and skills that workers acquire through education, training, and experience.

○

stock of equipment and structures that is used to produce goods and services.

○ total number of hours worked in an economy.

○ same thing as technological knowledge.

Question 3

1 / 1 pts

The equipment and structures available to produce goods and services are called

Correct!

◉ physical capital.

○ human capital.

○ the production function.

○ technology.

Question 4   1 / 1 pts

Which of the following is an example of physical capital?

Correct!

◉ the computer a secretary uses

○ rivers on which goods are transported

○ the skills and knowledge of a doctor

○ All of the above are correct.

Question 5   1 / 1 pts

An understanding of the best ways to produce goods and services is called

○ human capital.

○ physical capital.

Correct!

◉ technology.

○ productivity.

Question 6   1 / 1 pts

Which of the following is a determinant of productivity?

○ human capital per worker

○ physical capital per worker

○ natural resources per worker

Correct!   ◉ All of the above are correct.

Question 7   1 / 1 pts

In the equation for the production function Y/L represents

Correct!   ◉ productivity.

○ output.

○ the availability of natural resources.

○ the amount of human capital.

Question 8   1 / 1 pts

All else equal, if there are diminishing returns, then which of the following is true if a country increases its capital by one unit?

○ Output will rise by more than it did when the previous unit was added.

Correct!

○ Output will rise but by less than it did when the previous unit was added.

○ Output will fall by more than it did when the previous unit was added.

○

Output will fall but by less then it did when the previous unit was added.

Question 9

1 / 1 pts

Real GDP per person is $10,000 in Country A, $20,000 in Country B, and $30,000 in Country C. The saving rate increases by the same rate in all three countries. Other things equal, we would expect that

○ all three countries will grow at the same rate.

Correct!

● Country A will grow the fastest.

○ Country B will grow the fastest.

○ Country C will grow the fastest.

Question 10

1 / 1 pts

Government corruption

Correct!

○

impedes the coordinating power of markets and discourages investment.

○

impedes the coordinating power of markets but does not discourage investment.

○

does not impede the coordinating power of markets, but does discourage investment.

○

can neither impede the coordinating power of markets nor discourage investment.

Question 11   1 / 1 pts

Figure 25-1. On the horizontal axis, K/L represents capital (K) per worker (L). On the vertical axis, Y/L represents output (Y) per worker (L).
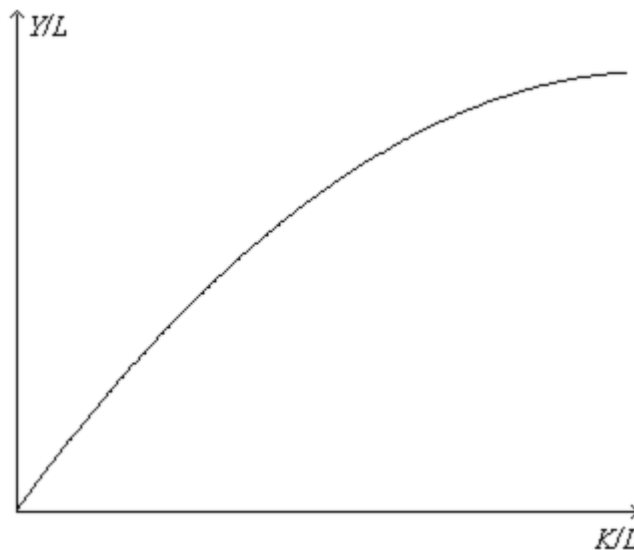
Refer to Figure 25-1. The curve becomes flatter as the amount of capital per worker increases because of
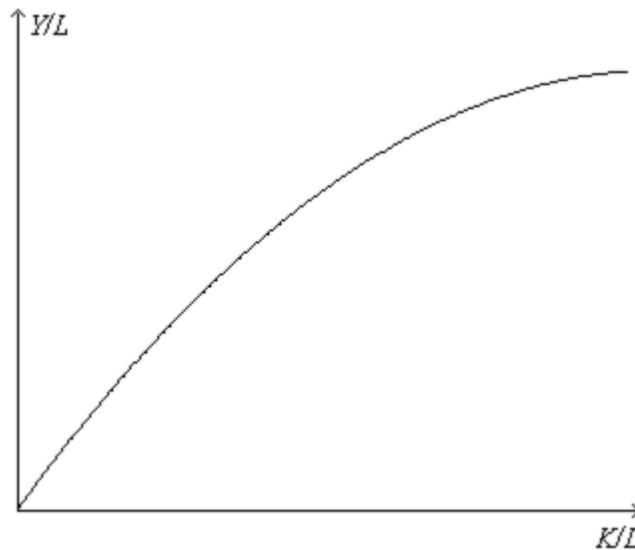
○ increasing returns to capital.

○ increasing returns to labor.

Correct!   ⦿ diminishing returns to capital.

○ diminishing returns to labor.

Question 12   1 / 1 pts

Figure 25-1. On the horizontal axis, K/L represents capital (K) per worker (L). On the vertical axis, Y/L represents output (Y) per worker (L).

Refer to Figure 25-1. The shape of the curve is consistent with which of the following statements about the economy to which the curve applies?
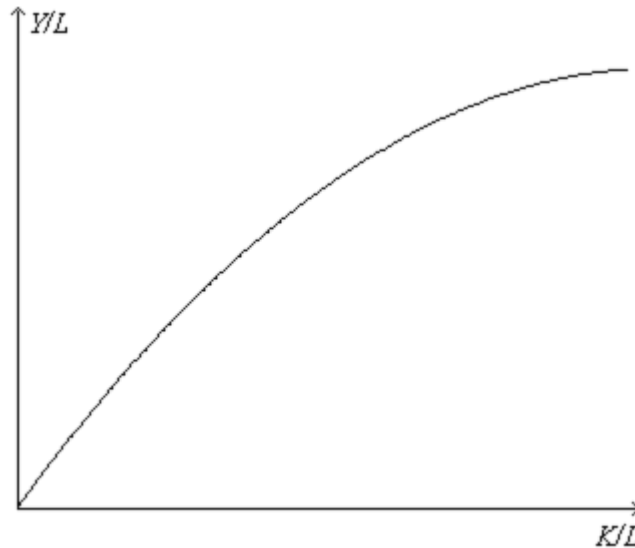
○ In the long run, a higher saving rate leads to a higher level of productivity.

○ In the long run, a higher saving rate leads to a higher level of income.

○ In the long run, a higher saving rate leads to neither a higher growth rate of productivity nor a higher growth rate of income.

Correct!

◉ All of the above are correct.

Question 13

1 / 1 pts

Figure 25-1. On the horizontal axis, K/L represents capital (K) per worker (L). On the vertical axis, Y/L represents output (Y) per worker (L).

Refer to Figure 25-1. The shape of the curve is consistent with which of the following statements about the economy to which the curve applies?

○ In the long run, a higher saving rate leads to a higher growth rate of productivity.

○ In the long run, a higher saving rate leads to a higher growth rate of income.

Correct!

◉ Returns to capital become increasingly smaller as the amount of capital per worker increases.

○ All of the above are correct.

Question 14   0 / 1 pts

Increases in both human capital per worker and physical capital per worker increase productivity.

Correct Answer
- ○ True

You Answered
- ◉ False

Question 15   1 / 1 pts

If a production function has constant returns to scale, then if all inputs double so does production.

Correct!
- ◉ True

- ○ False

Question 16   1 / 1 pts

The catch-up effect refers to the idea that poor countries, despite their best efforts, are not likely ever to experience the economic growth rates of wealthier countries.

- ○ True

Correct!
- ◉ False

Question 17   1 / 1 pts

Investment in human capital has opportunity costs, but investment in physical capital does not.

○ True

Correct!   ● False

Question 18   1 / 1 pts

Other things the same, an economy's factors of production are likely to be used more effectively if there is an economywide respect for property rights.

Correct!   ● True

○ False

Question 19   1 / 1 pts

A country that made its courts less corrupt and its government more stable would likely see its standard of living rise.

Correct!   ● True

○ False

Question 20   1 / 1 pts

One reason that governments may find it useful to sponsor universities and basic research is that to a large extent knowledge is generally a private good.

○ True

Correct!

◉ False

Quiz Score: **19** out of 20