

Homework (chapter 4)

Due Feb 3 at 11:59pm	Points 20	Questions 20
Available until Feb 3 at 11:59pm	Time Limit None	Allowed Attempts 2

Instructions

This required homework assignment covers material from chapter 4.

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 3 at 11:59pm.

Attempt History

	Attempt	Time	Score
LATEST	Attempt 1	24 minutes	19 out of 20

Score for this attempt: **19** out of 20

Submitted Feb 2 at 1:55pm

This attempt took 24 minutes.

Question 1	1 / 1 pts
A competitive market is one in which there	
<input type="radio"/> is only one seller, but there are many buyers.	
<input type="radio"/> are many sellers, and each seller has the ability to set the price of his product.	

Correct!

are many sellers, and they compete with one another in such a way that some sellers are always being forced out of the market.



are so many buyers and so many sellers that each has a negligible impact on the price of the product.

Question 2**1 / 1 pts**

If a good is normal, then an increase in income will result in a(n)

Correct!

increase in the demand for the good.



decrease in the demand for the good.



movement down and to the right along the demand curve for the good.



movement up and to the left along the demand curve for the good.

Question 3**1 / 1 pts**

If muffins and bagels are substitutes, a higher price for bagels would result in a(n)

Correct!

increase in the demand for bagels.



decrease in the demand for bagels.



increase in the demand for muffins.



decrease in the demand for muffins.

Question 4**1 / 1 pts****Figure 4-7**

Refer to Figure 4-7. If the demand curve for Good X shifts from D_b to D_a , then



firms would be willing to supply more of Good X than before at each possible price.



people are willing to buy less of Good X than before at each possible price.



people's incomes must have increased.



the price of Good X has increased.

Correct!**Question 5****0 / 1 pts**

Figure 4-7

Refer to Figure 4-7. The movement from D_a to D_b could be caused by

- ☐ a decrease in price.
- ☐ a decrease in income, assuming the good is inferior.
- ☐ buyers expecting the price of the good to fall in the near future.
- ☒ an increase in the price of a complement.

Correct Answer

You Answered

Question 6

1 / 1 pts

The law of demand states that, other things equal, an increase in

- ☐ price causes quantity demanded to increase.
- ☒ price causes quantity demanded to decrease.
- ☐ quantity demanded causes price to increase.
- ☐ quantity demanded causes price to decrease.

Correct!

Question 7**1 / 1 pts**

A movement along the supply curve might be caused by a change in

- ☐ production technology.
- ☐ input prices.
- ☐ expectations about future prices.
- ☒ the price of the good or service that is being supplied.

Correct!**Question 8****1 / 1 pts**

The law of supply states that, other things equal, when the price of a good

- ☐ falls, the supply of the good rises.
- ☒ rises, the quantity supplied of the good rises.
- ☐ rises, the supply of the good falls.
- ☐ falls, the quantity supplied of the good rises.

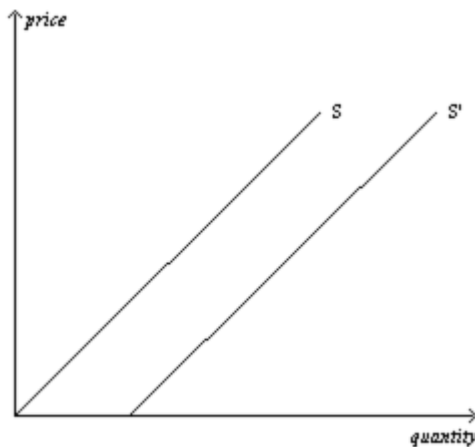
Correct!**Question 9****1 / 1 pts**

The sum of all the individual supply curves for a product is called

- ☐ total supply.

Correct!

- ☒ market supply.
- ☐ aggregate supply.
- ☐ total output.

Question 10**1 / 1 pts****Figure 4-16**

Refer to Figure 4-16. If the supply curves that are drawn represent supply curves for single-family residential houses, then the movement from S to S' could be caused by a(n)

- ☐ increase in the price of apartments which are a substitute for single-family houses for many people looking for a place to live.
- ☐ newly-formed expectation by house-builders that prices of houses will increase significantly in the next six months.

Correct!

- ☒ decrease in the price of lumber.
- ☐ All of the above are correct.

Question 11**1 / 1 pts**

At the equilibrium price, the quantity of the good that buyers are willing and able to buy

- ☐ is greater than the quantity that sellers are willing and able to sell.
- ☒ exactly equals the quantity that sellers are willing and able to sell.
- ☐ is less than the quantity that sellers are willing and able to sell.
- ☐ Either a) or c) could be correct.

Correct!**Question 12****1 / 1 pts****Table 4-9**

	An Increase in Supply	A Decrease in Supply
An Increase in Demand	A	B
A Decrease in Demand	C	D

Refer to Table 4-9. Which combination would produce an increase in equilibrium quantity and an indeterminate change in equilibrium price?

- ☒ A
- ☐ B
- ☐ C
- ☐ D

Correct!

Question 13

1 / 1 pts

Table 4-9

	An Increase in Supply	A Decrease in Supply
An Increase in Demand	A	B
A Decrease in Demand	C	D

Refer to Table 4-9. Which combination would produce an increase in equilibrium price and an indeterminate change in equilibrium quantity?

☐ A

☒ B

☐ C

☐ D

Correct!

Question 14

1 / 1 pts

Table 4-9

	An Increase in Supply	A Decrease in Supply
An Increase in Demand	A	B
A Decrease in Demand	C	D

Refer to Table 4-9. Which combination would produce a decrease in equilibrium price and an indeterminate change in equilibrium quantity?

☐ A

☐ B

☒ C

☐ D

Correct!

Question 15

1 / 1 pts

Table 4-9

	An Increase in Supply	A Decrease in Supply
An Increase in Demand	A	B
A Decrease in Demand	C	D

Refer to Table 4-9. Which combination would produce a decrease in equilibrium quantity and an indeterminate change in equilibrium price?

☐ A

☐ B

☐ C

☒ D

Correct!

Question 16

1 / 1 pts

Table 4-11

Price	Quantity Demanded	Quantity Supplied
\$10	10	60
\$8	20	45
\$6	30	30
\$4	40	15
\$2	50	0

Refer to Table 4-11. The equilibrium price and quantity, respectively, are

- ☐ \$2 and 50 units.
- ☒ \$6 and 30 units.
- ☐ \$6 and 60 units.
- ☐ \$12 and 30 units.

Correct!

Question 17**1 / 1 pts****Table 4-11**

Price	Quantity Demanded	Quantity Supplied
\$10	10	60
\$8	20	45

\$6	30	30
\$4	40	15
\$2	50	0

Refer to Table 4-11. If the price were \$8, a

- ☐ shortage of 20 units would exist, and price would tend to rise.
- ☒ surplus of 25 units would exist, and price would tend to fall.
- ☐ shortage of 25 units would exist, and price would tend to rise.
- ☐ surplus of 45 units would exist, and price would tend to fall.

Correct!

Question 18

1 / 1 pts

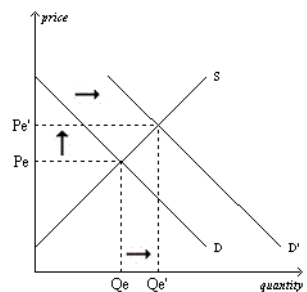
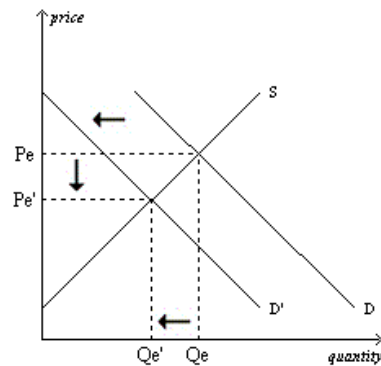
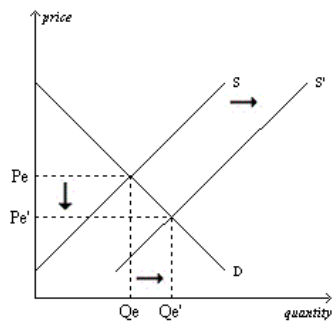
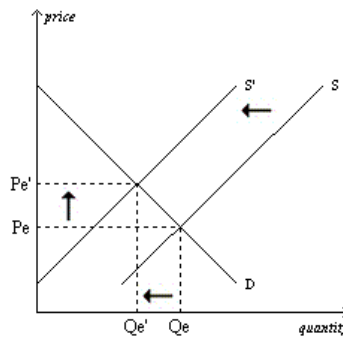
Table 4-11

Price	Quantity Demanded	Quantity Supplied
\$10	10	60
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\$2	50	0

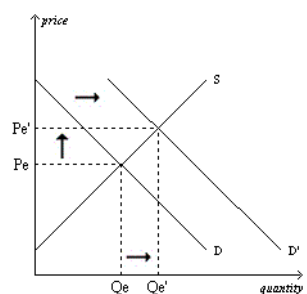
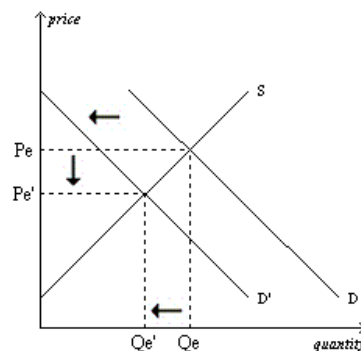
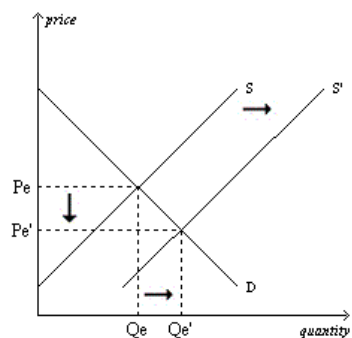
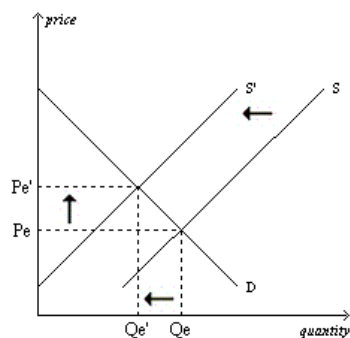
Refer to Table 4-11. If the price were \$4, a

Correct!

- ☐ surplus of 15 units would exist, and price would tend to fall.
- ☒ shortage of 25 units would exist, and price would tend to rise.
- ☐ surplus of 25 units would exist, and price would tend to fall.
- ☐ shortage of 40 units would exist, and price would tend to rise.

Question 19**1 / 1 pts****Figure 4-27****Panel (a)****Panel (b)****Panel (c)****Panel (d)**

Refer to Figure 4-27. Which of the four panels represents the market for cars as a result of the adoption of new technology on assembly lines?

Correct!☐ Panel (a)☐ Panel (b)☒ Panel (c)☐ Panel (d)**Question 20****1 / 1 pts****Figure 4-27****Panel (a)****Panel (b)****Panel (c)****Panel (d)**

Refer to Figure 4-27. Which of the four panels represents the market for peanut butter after a major hurricane hits the peanut-growing south?

Correct!☐ Panel (a)☐ Panel (b)☐ Panel (c)☒ Panel (d)Quiz Score: **19** out of 20