

Quiz (chapter 5)

Due Feb 6 at 11:59pm

Points 13

Questions 13

Available Feb 4 at 12am - Feb 6 at 11:59pm 3 days

Time Limit 30 Minutes

Instructions

This quiz covers material from chapter 5.

The time limit is 30 minutes.

Attempt History

| | Attempt | Time | Score |
|--------|---------------------------|-----------|--------------|
| LATEST | Attempt 1 | 7 minutes | 13 out of 13 |

⚠ Correct answers will be available on Feb 7 at 12am.

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

Submitted Feb 4 at 12:24pm

This attempt took 7 minutes.

Question 1

1 / 1 pts

The price elasticity of demand measures

- ☒ buyers' responsiveness to a change in the price of a good.
- ☐ the extent to which demand increases as additional buyers enter the market.
- ☐ how much more of a good consumers will demand when incomes rise.
- ☐ the movement along a supply curve when there is a change in demand.

Question 2

1 / 1 pts

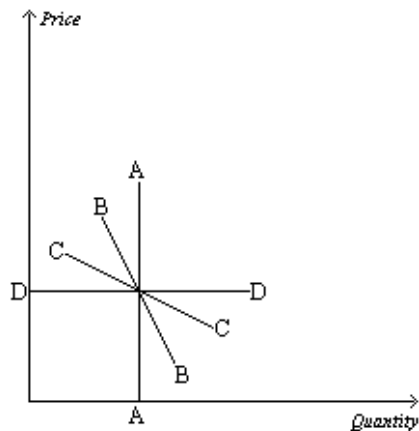
If demand is price inelastic, then

- ☒ buyers do not respond much to a change in price.
- ☐ buyers respond substantially to a change in price, but the response is very slow.
- ☐ buyers do not alter their quantities demanded much in response to advertising, fads, or general changes in tastes.
- ☐ the demand curve is very flat.

Question 3

1 / 1 pts

Figure 5-3



Refer to Figure 5-3. Jenna says she would buy 10 gallons of gas per week regardless of the price. If this is true, then Jenna's demand for gas is represented by demand curve

- ☒ A.

☐ B.

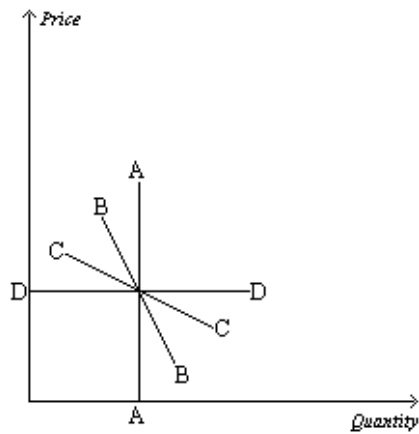
☐ C.

☐ D.

Question 4

1 / 1 pts

Figure 5-3



Refer to Figure 5-3. Which demand curve is unit elastic?

☐ A

☐ B

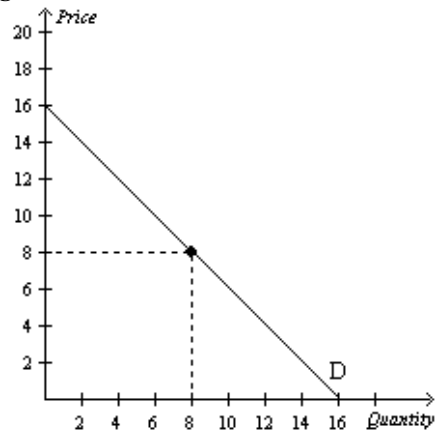
☐ D

☒ None of the above.

Question 5

1 / 1 pts

Figure 5-6



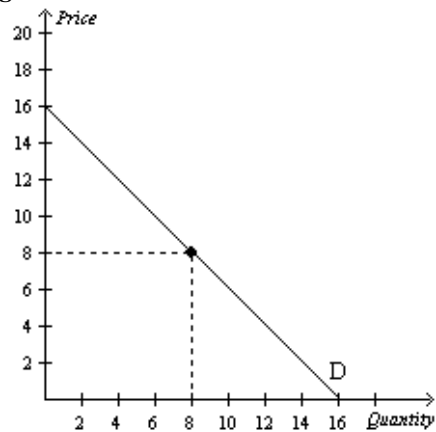
Refer to Figure 5-6. For prices above \$8, demand is price

- ☐ elastic, and total revenue will rise as price rises.
- ☐ inelastic, and total revenue will rise as price rises.
- ☒ elastic, and total revenue will fall as price rises.
- ☐ inelastic, and total revenue will fall as price rises.

Question 6

1 / 1 pts

Figure 5-6



Refer to Figure 5-6. For prices below \$8, demand is price

- ☐ elastic, and total revenue will rise as price rises.
- ☒ inelastic, and total revenue will rise as price rises.
- ☐ elastic, and total revenue will fall as price rises.
- ☐ inelastic, and total revenue will fall as price rises.

Question 7

1 / 1 pts

Suppose goods A and B are substitutes for each other. We would expect the cross-price elasticity between these two goods to be

- ☒ positive.
- ☐ negative.
- ☐ either positive or negative. It depends whether A and B are normal goods or inferior goods.
- ☐ either positive or negative. It depends whether the current price level is on the elastic or inelastic portion of the demand curve.

Question 8

1 / 1 pts

The price elasticity of supply measures how responsive

- ☐ equilibrium price is to equilibrium quantity.

- ☐ sellers are to a change in buyers' income.
- ☒ sellers are to a change in price.
- ☐ consumers are to the number of substitutes.

Question 9

1 / 1 pts

Suppose that when the price of good X increases from \$800 to \$850, the quantity demanded of good Y increases from 65 to 70. Using the midpoint method, the cross price elasticity of demand is about

- ☐ -1.2, and X and Y are complements.
- ☐ -0.1, and X and Y are complements.
- ☐ 0.1, and X and Y are substitutes.
- ☒ 1.2, and X and Y are substitutes.

Question 10

1 / 1 pts

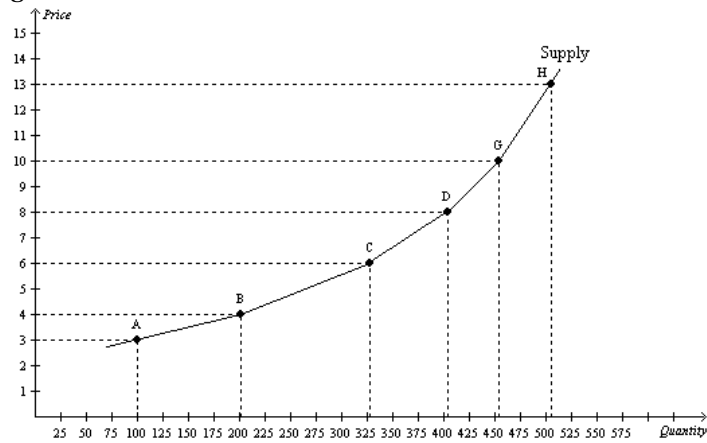
Suppose that when the price of good X falls from \$10 to \$8, the quantity demanded of good Y rises from 20 units to 25 units. Using the midpoint method, the cross-price elasticity of demand is

- ☒ -1.0, and X and Y are complements.
- ☐ -1.0, and X and Y are substitutes.
- ☐ 1.0, and X and Y are complements.
- ☐ 1.0, and X and Y are substitutes.

Question 11

1 / 1 pts

Figure 5-15



Refer to Figure 5-15. Using the midpoint method, what is the price elasticity of supply between points D and G?

☐ 1.89

☐ 1.26

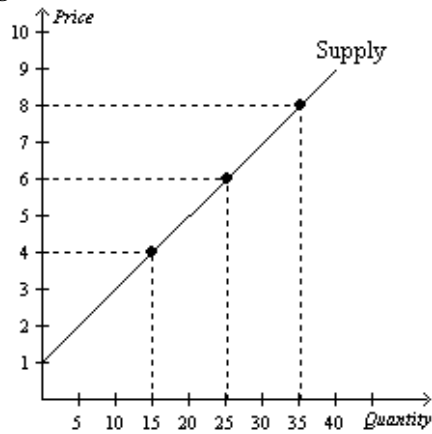
☒ 0.53

☐ 0.34

Question 12

1 / 1 pts

Figure 5-16



Refer to Figure 5-16. Using the midpoint method, what is the price elasticity of supply between \$4 and \$6?

☐ 0.75

☐ 1.00

☐ 1.20

☒ 1.25

Question 13

1 / 1 pts

Last year, Max bought 6 pairs of athletic shoes when his income was \$35,000. This year, his income is \$42,000, and he purchased 8 pairs of athletic shoes. Holding other factors constant, it follows that Max

☐ considers athletic shoes to be necessities.

☐ considers athletic shoes to be inferior goods.

☒ considers athletic shoes to be normal goods.

☐ has a low price elasticity of demand for athletic shoes.

Quiz Score: **13** out of 13