

Homework (chapters 8 & 9)

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 chapters 8 and 9.

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	12 minutes	19 out of 20

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

Submitted Feb 5 at 6:15pm

This attempt took 12 minutes.

Question 1

1 / 1 pts

One result of a tax, regardless of whether the tax is placed on the buyers or the sellers, is that the

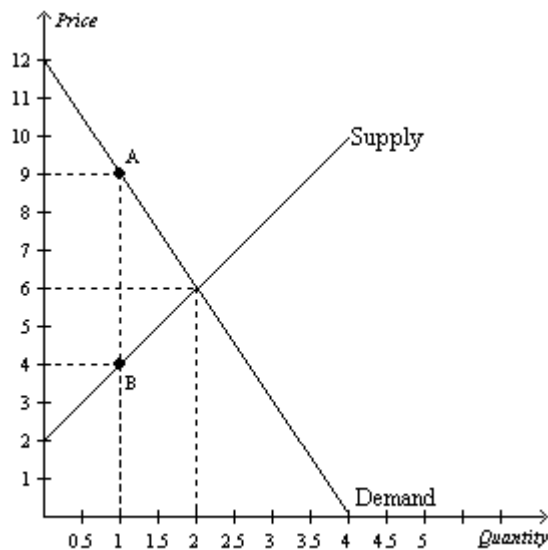
- ☐ equilibrium quantity of the good is unchanged.
- ☐ price the buyer effectively pays is lower.
- ☐ supply curve for the good shifts upward by the amount of the tax.

Correct!

- ☒ tax reduces the welfare of both buyers and sellers.

Question 2**1 / 1 pts****Figure 8-2**

The vertical distance between points A and B represents a tax in the market.



Refer to Figure 8-2. The amount of the tax on each unit of the good is

☐ \$1.

☐ \$4.

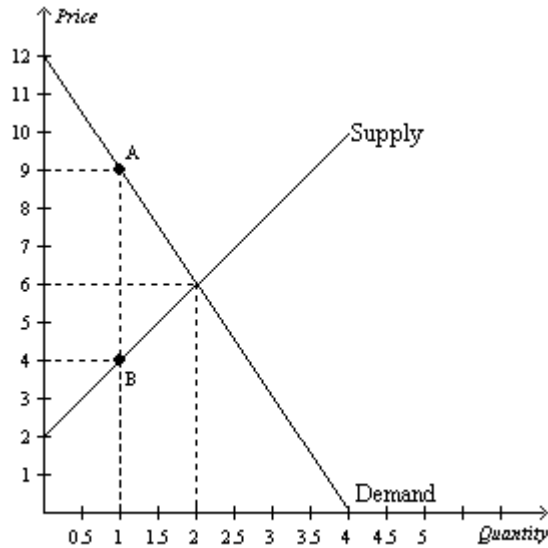
☒ \$5.

☐ \$9.

Correct!**Question 3****1 / 1 pts**

Figure 8-2

The vertical distance between points A and B represents a tax in the market.



Refer to Figure 8-2. The amount of deadweight loss as a result of the tax is

Correct!

☒ \$2.50.

☐ \$5.

☐ \$7.50.

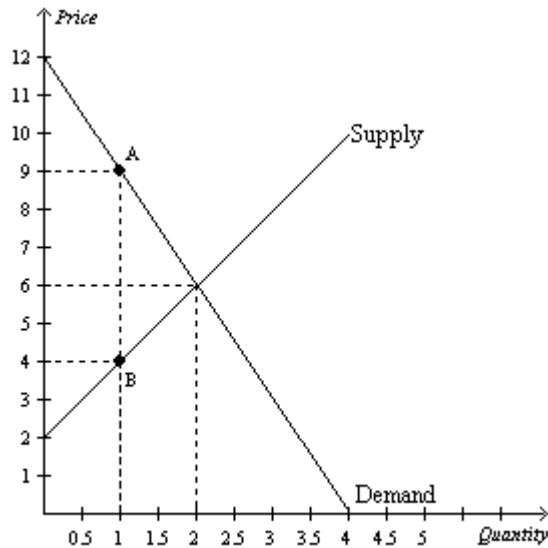
☐ \$10.

Question 4

1 / 1 pts

Figure 8-2

The vertical distance between points A and B represents a tax in the market.



Refer to Figure 8-2. Consumer surplus without the tax is

Correct!

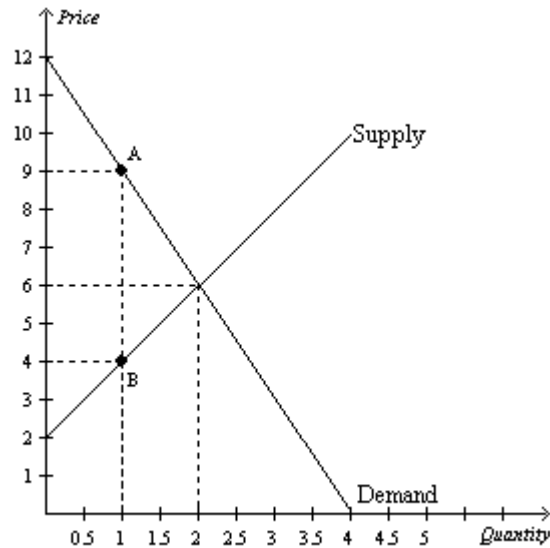
- ☒ \$6, and consumer surplus with the tax is \$1.50.
- ☐ \$6, and consumer surplus with the tax is \$4.50.
- ☐ \$10, and consumer surplus with the tax is \$1.50.
- ☐ \$10, and consumer surplus with the tax is \$4.50.

Question 5

1 / 1 pts

Figure 8-2

The vertical distance between points A and B represents a tax in the market.



Refer to Figure 8-2. Producer surplus without the tax is

Correct!

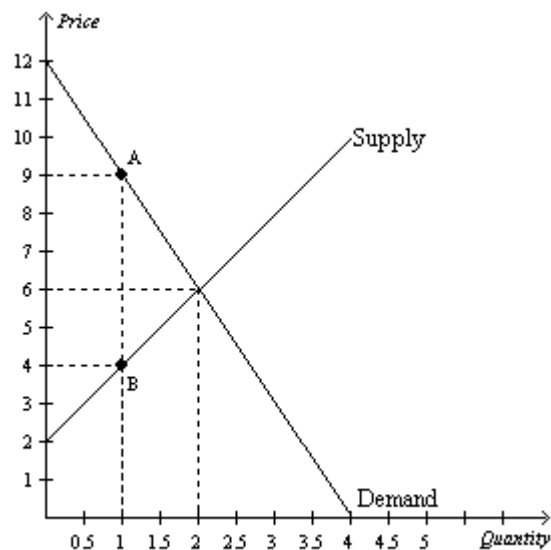
- ☒ \$4, and producer surplus with the tax is \$1.
- ☐ \$4, and producer surplus with the tax is \$3.
- ☐ \$10, and producer surplus with the tax is \$1.
- ☐ \$10, and producer surplus with the tax is \$3.

Question 6

1 / 1 pts

Figure 8-2

The vertical distance between points A and B represents a tax in the market.



Refer to Figure 8-2. Total surplus without the tax is

- ☐ \$10, and total surplus with the tax is \$2.50.
- ☒ \$10, and total surplus with the tax is \$7.50.
- ☐ \$20, and total surplus with the tax is \$2.50.
- ☐ \$20, and total surplus with the tax is \$7.50.

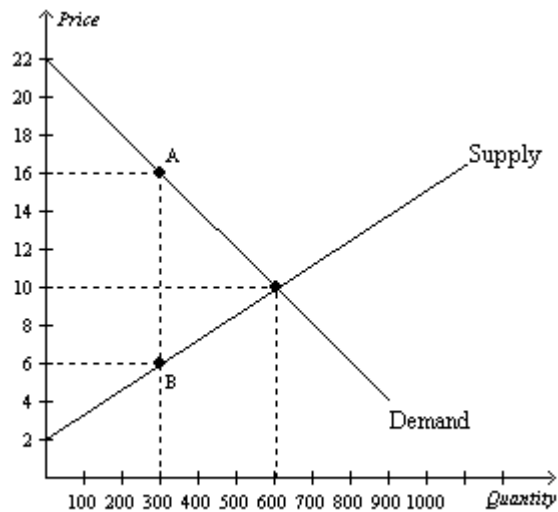
Correct!

Question 7

1 / 1 pts

Figure 8-6

The vertical distance between points A and B represents a tax in the market.



Refer to Figure 8-6. Total surplus with the tax in place is

- ☐ \$1,500.
- ☐ \$3,600.
- ☒ \$4,500.
- ☐ \$6,000.

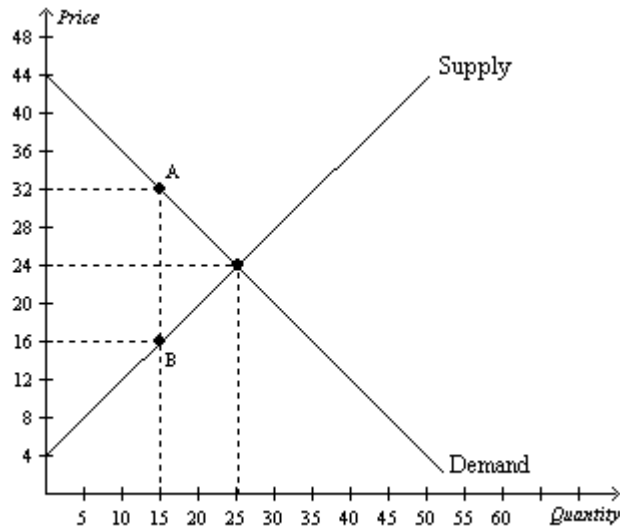
Correct!

Question 8

1 / 1 pts

Figure 8-7

The vertical distance between points A and B represents a tax in the market.



Refer to Figure 8-7. The deadweight loss associated with this tax amounts to



\$80, and this figure represents the amount by which tax revenue to the government exceeds the combined loss of producer and consumer surpluses.

Correct!



\$80, and this figure represents the surplus that is lost because the tax discourages mutually advantageous trades between buyers and sellers.



\$60, and this figure represents the amount by which tax revenue to the government exceeds the combined loss of producer and consumer surpluses.



\$60, and this figure represents the surplus that is lost because the tax discourages mutually advantageous trades between buyers and sellers.

Question 9

1 / 1 pts

The principle of comparative advantage asserts that

- ☐ not all countries can benefit from trade with other countries.
- ☐ the world price of a good will prevail in all countries, regardless of whether those countries allow international trade in that good.
- ☐ countries can become better off by exporting goods, but they cannot become better off by importing goods.
- ☒ countries can become better off by specializing in what they do best.

Correct!

Question 10

1 / 1 pts

A tax on an imported good is called a

- ☐ quota.
- ☒ tariff.
- ☐ supply tax.
- ☐ trade tax.

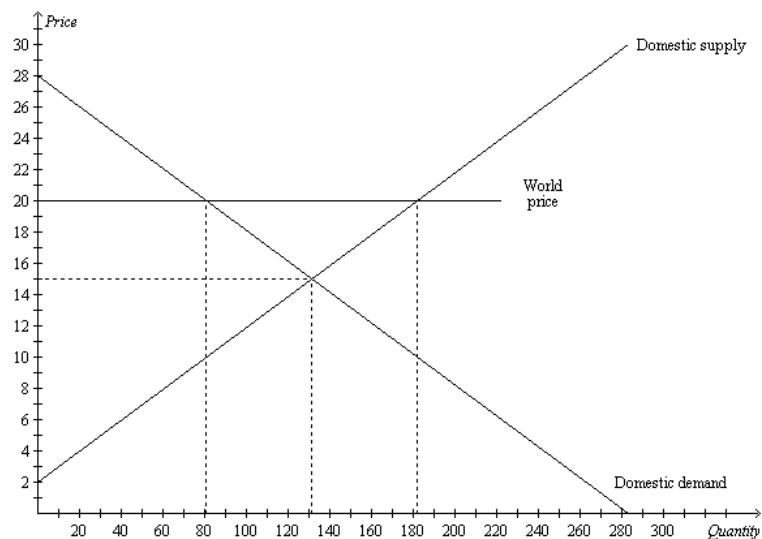
Correct!

Question 11

1 / 1 pts

Figure 9-2

The figure illustrates the market for calculators in a country.



Refer to Figure 9-2. With free trade, consumer surplus is

Correct!

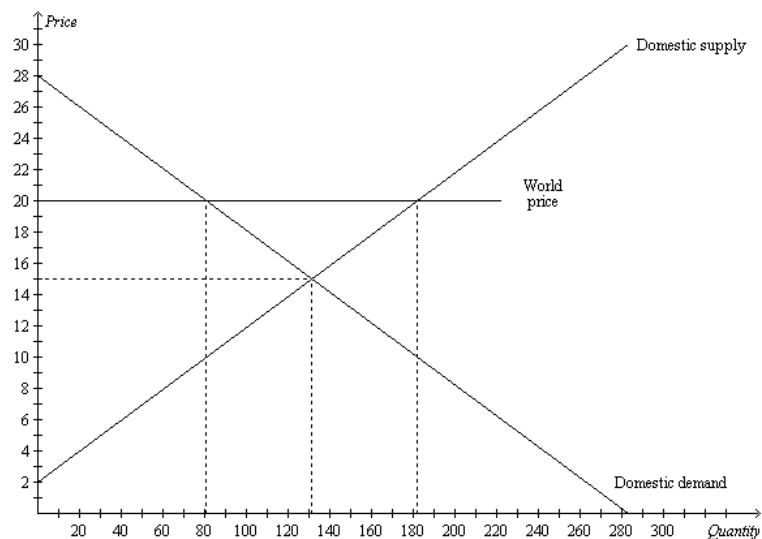
- ☒ \$320.
- ☐ \$640.
- ☐ \$845.
- ☐ \$1,690.

Question 12

1 / 1 pts

Figure 9-2

The figure illustrates the market for calculators in a country.



Refer to Figure 9-2. With free trade, producer surplus is

- ☐ \$845.
- ☒ \$1,620.
- ☐ \$1,690.
- ☐ \$3,240.

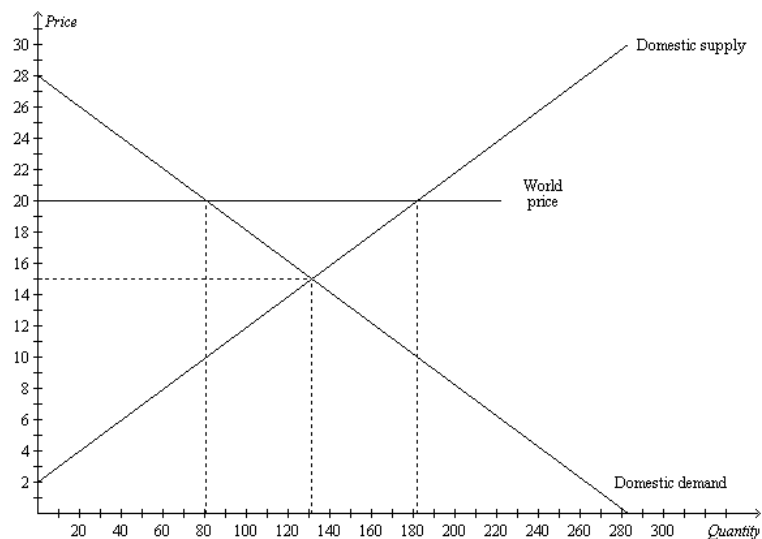
Correct!

Question 13

1 / 1 pts

Figure 9-2

The figure illustrates the market for calculators in a country.



Refer to Figure 9-2. As a result of trade, total surplus increases by

☐ \$50.

☐ \$100.

☒ \$250.

☐ \$500.

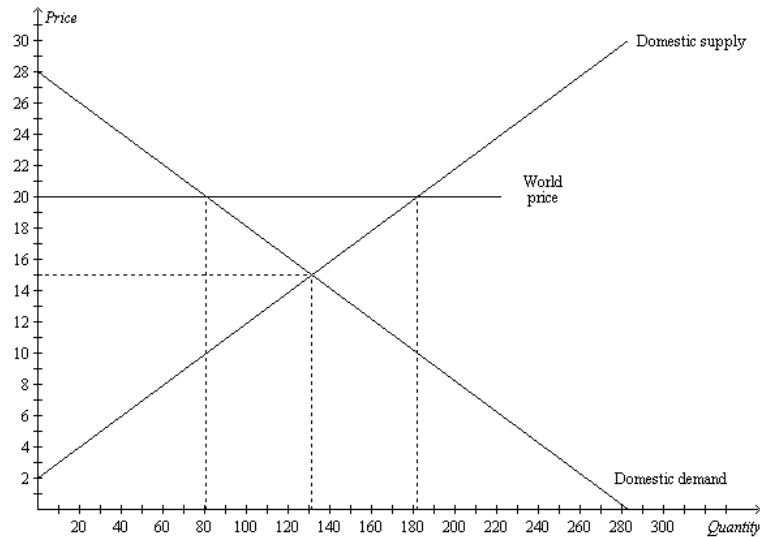
Correct!

Question 14

1 / 1 pts

Figure 9-2

The figure illustrates the market for calculators in a country.



Refer to Figure 9-2. At the world price and with free trade,

☐ the domestic quantity of calculators demanded is greater than the domestic quantity of calculators supplied.

Correct!

☒ the calculator market is in equilibrium.

☐ the domestic demand for calculators is perfectly inelastic.

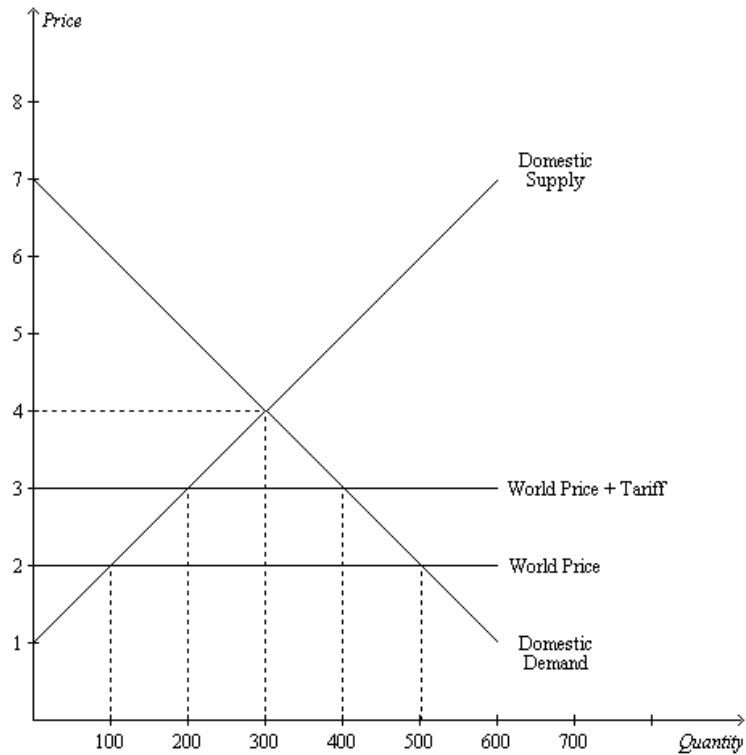
☐ both domestic producers of calculators and domestic consumers of calculators are better off than they were without free trade.

Question 15

1 / 1 pts

Figure 9-6

The figure illustrates the market for roses in a country.



Refer to Figure 9-6. The imposition of a tariff on roses

- ☐ increases the number of roses imported by 100.
- ☐ increases the number of roses imported by 200.
- ☒ decreases the number of roses imported by 200.
- ☐ decreases the number of roses imported by 400.

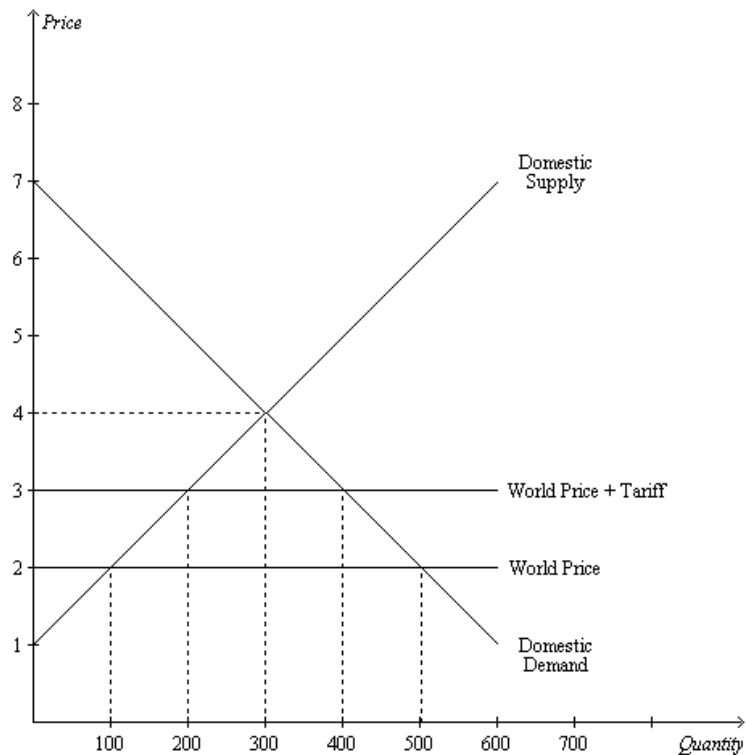
Correct!

Question 16

1 / 1 pts

Figure 9-6

The figure illustrates the market for roses in a country.



Refer to Figure 9-6. The amount of revenue collected by the government from the tariff is

Correct!

☒ \$200.

☐ \$400.

☐ \$500.

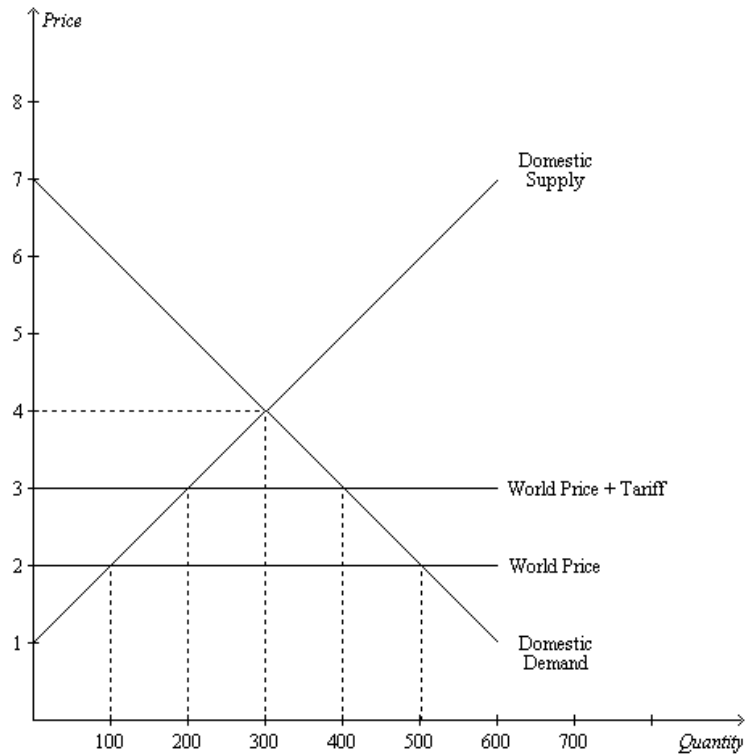
☐ \$600.

Question 17

0 / 1 pts

Figure 9-6

The figure illustrates the market for roses in a country.



Refer to Figure 9-6. When a tariff is imposed in the market, domestic producers

☐ gain \$100 of producer surplus.

☐ gain \$150 of producer surplus.

☐ gain \$200 of producer surplus.

☒ gain \$300 of producer surplus.

Correct Answer

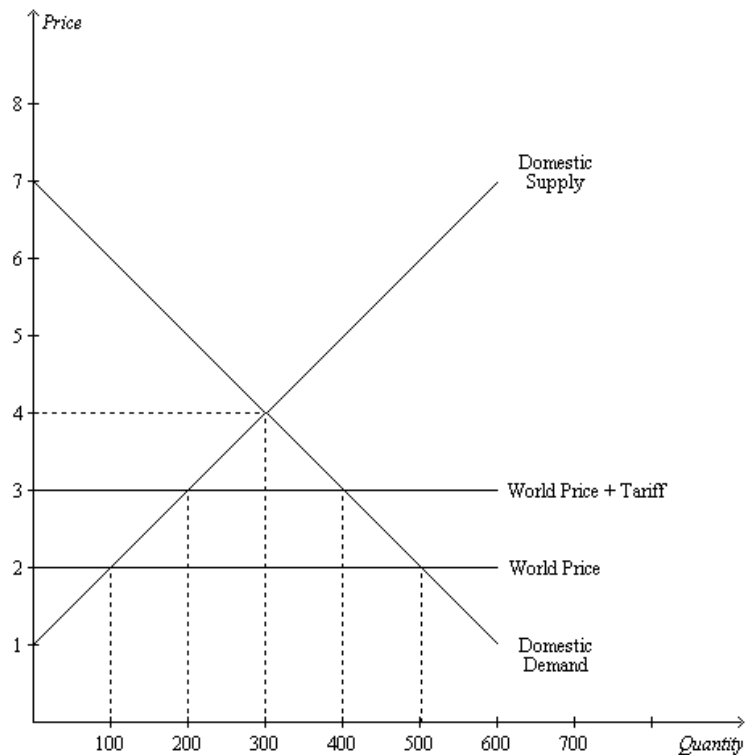
You Answered

Question 18

1 / 1 pts

Figure 9-6

The figure illustrates the market for roses in a country.



Refer to Figure 9-6. The amount of deadweight loss caused by the tariff equals

Correct!

☒ \$100.

☐ \$200.

☐ \$400.

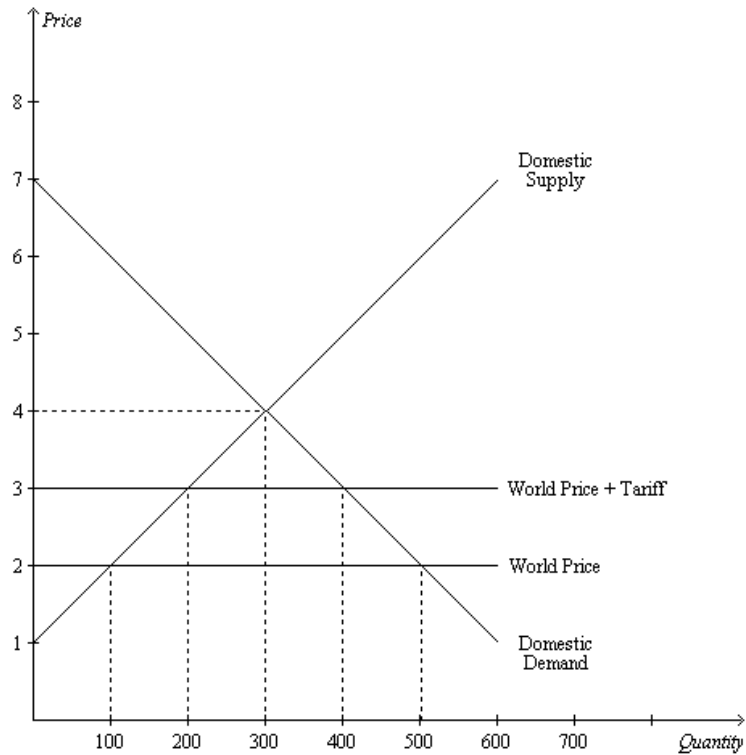
☐ \$500.

Question 19

1 / 1 pts

Figure 9-6

The figure illustrates the market for roses in a country.



Refer to Figure 9-6. When the tariff is imposed, domestic consumers

☐ lose by \$200.

☒ lose by \$450.

☐ gain by \$200.

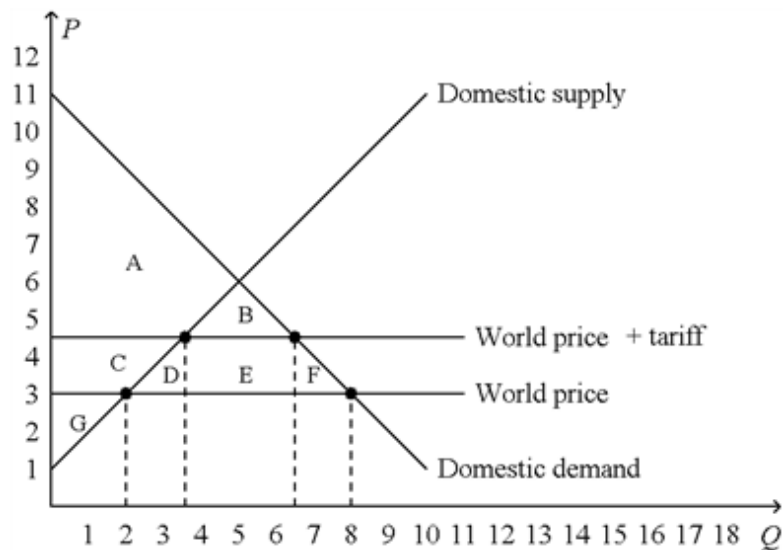
☐ gain by \$450.

Correct!

Question 20

1 / 1 pts

Figure 9-16. The figure below illustrates a tariff. On the graph, Q represents quantity and P represents price.



Refer to Figure 9-16. The deadweight loss created by the tariff is represented by the area

☐ B.

☒ D + F.

☐ D + E + F.

☐ B + D + E + F.

Correct!

Quiz Score: **19** out of 20