Homework (chapter 7)

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 7.

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	19 minutes	18 out of 20

Score for this attempt: **18** out of 20
Submitted Feb 5 at 6:03pm
This attempt took 19 minutes.

Question 1 — 1 / 1 pts

Consumer surplus is the

- amount of a good consumers get without paying anything.
- amount a consumer pays minus the amount the consumer is willing to pay.

Correct!

amount a consumer is willing to pay minus the amount the consumer actually pays.

value of a good to a consumer.

Question 2

1 / 1 pts

Table 7-1

Buyer	**Willingness To Pay**
Calvin	$150.00
Sam	$135.00
Andrew	$120.00
Lori	$100.00

Refer to Table 7-1. If the price of the product is $110, then who would be willing to purchase the product?

- Calvin
- Calvin and Sam
- Correct! Calvin, Sam, and Andrew
- Calvin, Sam, Andrew, and Lori

Question 3

1 / 1 pts

Brock is willing to pay $400 for a new suit, but he is able to buy the suit for $250. His consumer surplus is

$650.

Correct!

$150.

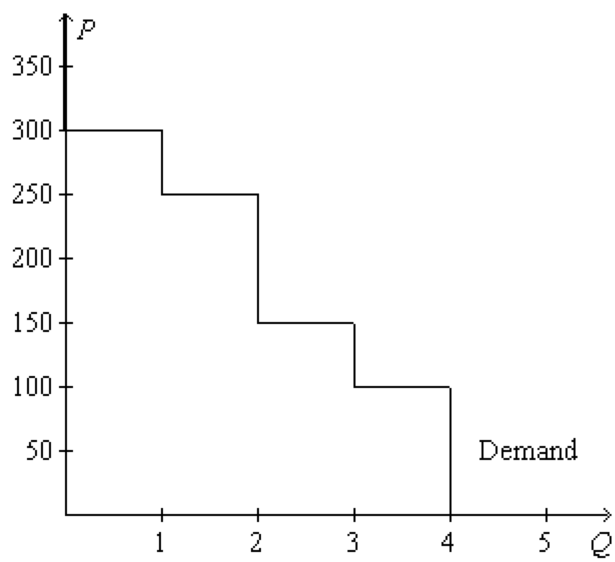
$250.

$400.

Question 4

1 / 1 pts

Figure 7-1



Refer to Figure 7-1. If the price of the good is $250, then consumer surplus amounts to

Correct!

$50.

$100.

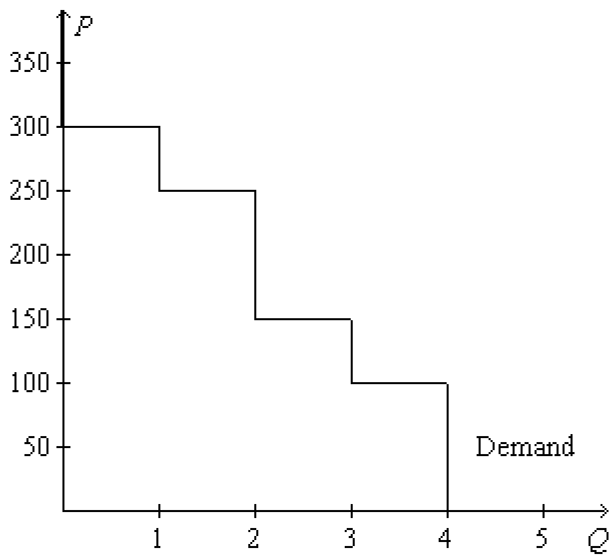
$150.

$200.

Question 5

1 / 1 pts

Figure 7-1



Refer to Figure 7-1. If the price of the good is $150, then consumer surplus amounts to

- $150.
- $200.
- Correct! $250.
- $300.

Question 6

1 / 1 pts

A seller's opportunity cost measures the

- Correct! value of everything she must give up to produce a good.

- amount she is paid for a good minus her cost of providing it.
- consumer surplus.
- out of pocket expenses to produce a good but not the value of her time.

Question 7

1 / 1 pts

Cost is a measure of the

Correct!

- seller's willingness to sell.
- seller's producer surplus.
- producer shortage.
- seller's willingness to buy.

Question 8

1 / 1 pts

Table 7-10
The following table represents the costs of five possible sellers.

Seller	Cost
Abby	$1,600
Bobby	$1,300
Dianne	$1,100
Evaline	$900
Carlos	$800

Refer to Table 7-10. Suppose each of the five sellers can supply at most one unit of the good. The market quantity supplied is exactly 2 if the price is

$1,700.

$1,100.

$1,650.

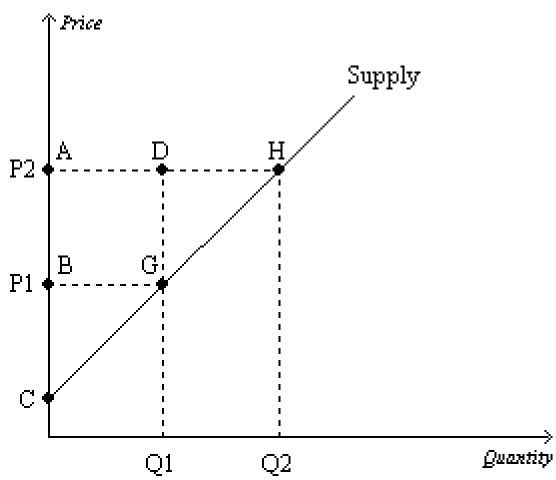
Correct!

$1,050.

Question 9

1 / 1 pts

Figure 7-10



Refer to Figure 7-10. Which area represents producer surplus when the price is P1?

Correct!

BCG

ACH

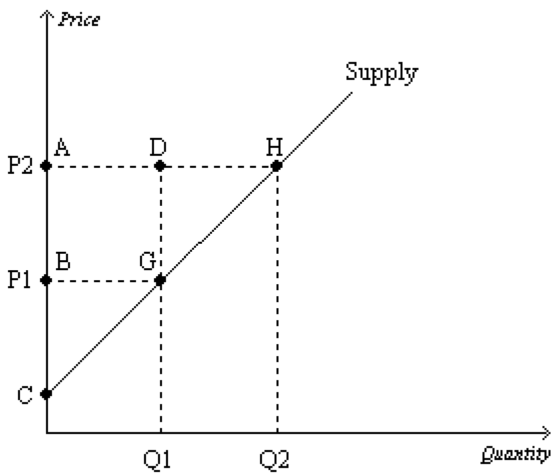
ABGD

DGH

Question 10

1 / 1 pts

Figure 7-10



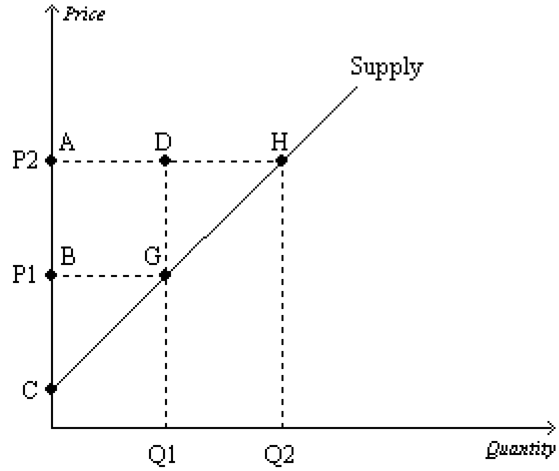
Refer to Figure 7-10. Which area represents producer surplus when the price is P2?

- BCG
- Correct! ACH
- ABGD
- AHGB

Question 11

1 / 1 pts

Figure 7-10



Refer to Figure 7-10. Which area represents the *increase* in producer surplus when the price rises from P1 to P2?

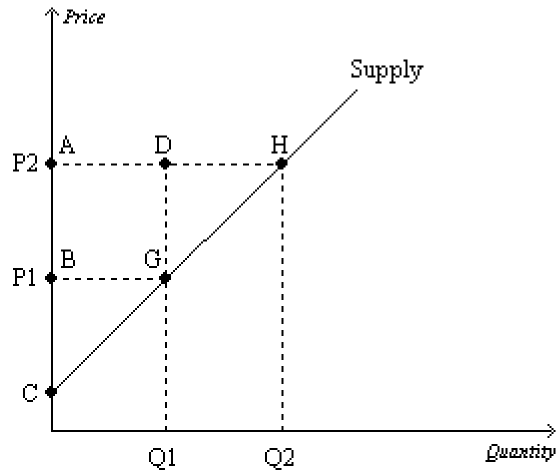
- BCG
- ACH
- ABGD
- AHGB

Correct!

Question 12

1 / 1 pts

Figure 7-10



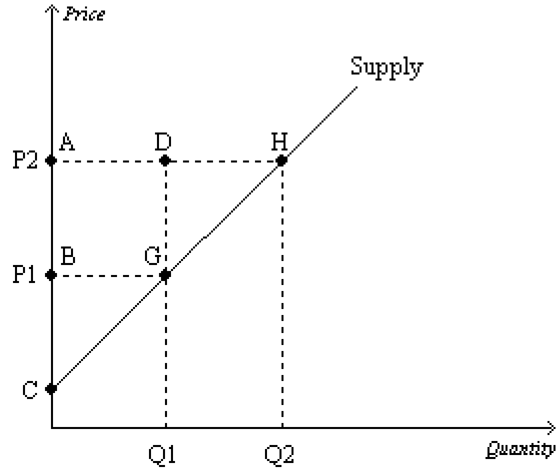
Refer to Figure 7-10. When the price rises from P1 to P2, which area represents the increase in producer surplus to existing producers?

- BCG
- ACH
- DGH
- Correct! ABGD

Question 13

1 / 1 pts

Figure 7-10



Refer to Figure 7-10. Which area represents the increase in producer surplus when the price rises from P1 to P2 due to new producers entering the market?

- BCG
- ACH
- Correct! DGH (selected)
- AHGB

Question 14

1 / 1 pts

Total surplus

- can be used to measure a market's efficiency.
- is the sum of consumer and producer surplus.
- is the value to buyers minus the cost to sellers.
- Correct! All of the above are correct. (selected)

Question 15

0 / 1 pts

Table 7-16

Price	Quantity Demanded	Quantity Supplied
$12.00	0	36
$10.00	3	30
$ 8.00	6	24
$ 6.00	9	18
$ 4.00	12	12
$ 2.00	15	6
$ 0.00	18	0

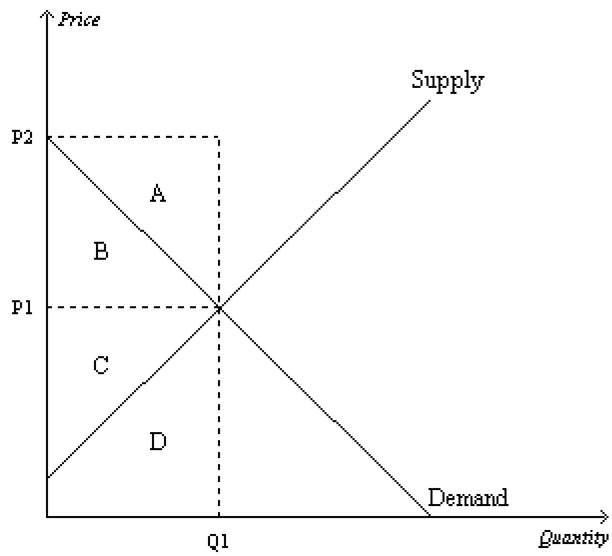
Refer to Table 7-16. Both the demand curve and the supply curve are straight lines. At equilibrium, total surplus is

- $44.
- ou Answered: $56.
- orrect Answer: $72.
- $96.

Question 16

1 / 1 pts

Figure 7-21



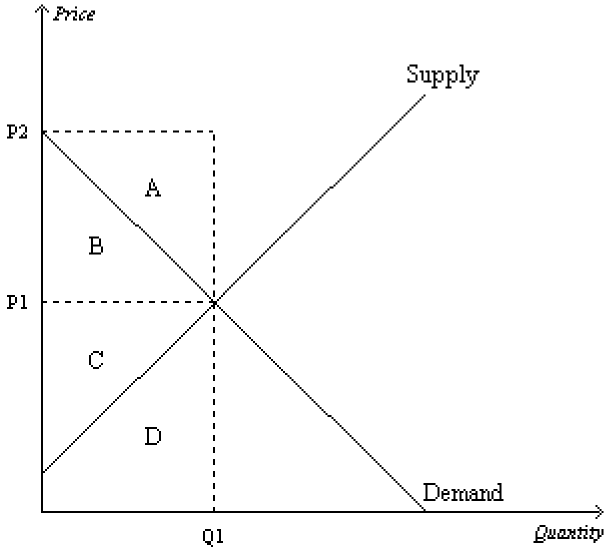
Refer to Figure 7-21. When the price is P1, area B represents

- total surplus.
- producer surplus.
- Correct! consumer surplus.
- profits.

Question 17

1 / 1 pts

Figure 7-21



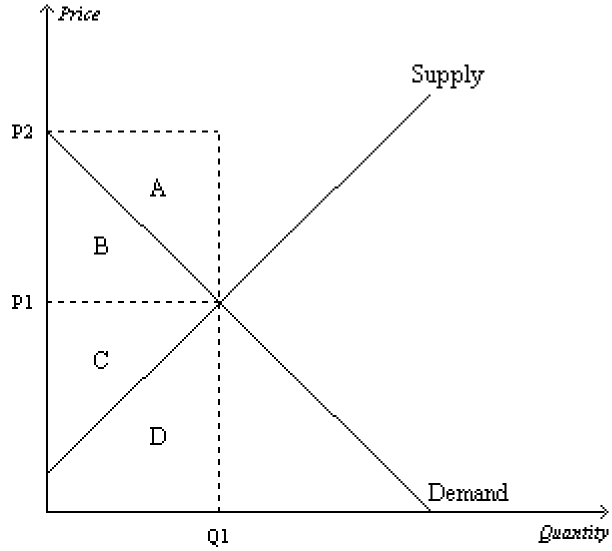
Refer to Figure 7-21. Which area represents producer surplus when the price is P1?

- A
- B
- Correct! C
- D

Question 18

1 / 1 pts

Figure 7-21



Refer to Figure 7-21. When the price is P1, area B+C represents

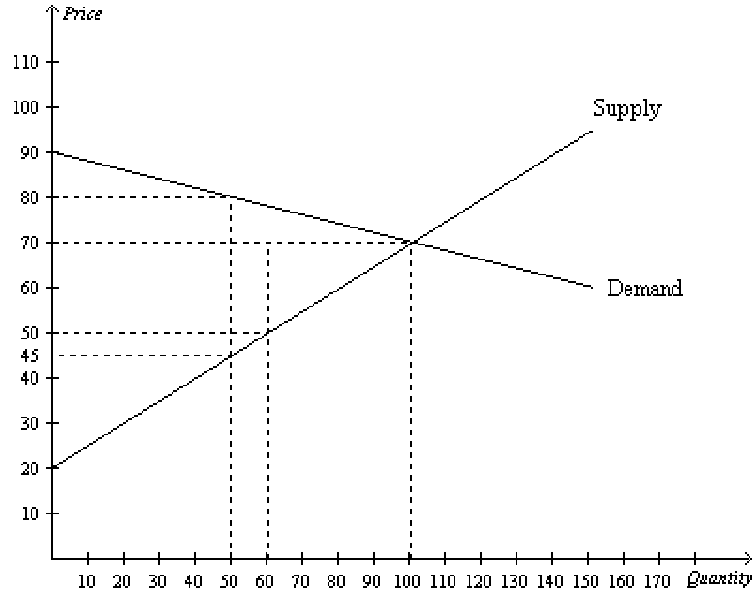
Correct!

- total surplus.
- producer surplus.
- consumer surplus.
- None of the above is correct.

Question 19

0 / 1 pts

Figure 7-22



Refer to Figure 7-22. Assume demand increases, which causes the equilibrium price to increase from $50 to $70. The increase in producer surplus due to new producers entering the market would be

orrect Answer

- $400.
- $800.

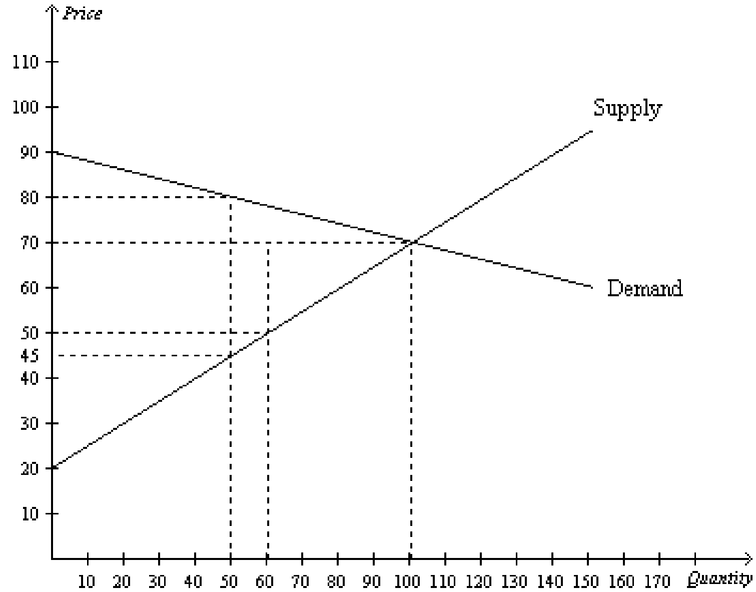
ou Answered

- $1,200.
- $900.

Question 20

1 / 1 pts

Figure 7-22



Refer to Figure 7-22. The efficient price is

- $80, and the efficient quantity is 50.
- $70, and the efficient quantity is 60.
- Correct! $70, and the efficient quantity is 100.
- $50, and the efficient quantity is 60.

Quiz Score: **18** out of 20