

Quiz (chapter 7)

Due Feb 13 at 11:59pm**Points** 13**Questions** 13**Available** Feb 11 at 12am - Feb 13 at 11:59pm 3 days**Time Limit** 30 Minutes

Instructions

This quiz covers material from chapter 7.

The time limit is 30 minutes.

This quiz was locked Feb 13 at 11:59pm.

Attempt History

	Attempt	Time	Score
LATEST	Attempt 1	20 minutes	11 out of 13

Score for this quiz: **11** out of 13

Submitted Feb 11 at 8:13am

This attempt took 20 minutes.

Question 1

0 / 1 pts

Willingness to pay

Correct Answer

☐ measures the value that a buyer places on a good.

☐ is the amount a seller actually receives for a good minus the minimum amount the seller is willing to accept.

You Answered

☒ is the maximum amount a buyer is willing to pay minus the minimum amount a seller is willing to accept.



is the amount a buyer is willing to pay for a good minus the amount the buyer actually pays for it.

Question 2

1 / 1 pts

Table 7-2

This table refers to five possible buyers' willingness to pay for a case of Vanilla Coke.

Buyer	Willingness To Pay
David	\$8.50
Laura	\$7.00
Megan	\$5.50
Mallory	\$4.00
Audrey	\$3.50

Refer to Table 7-2. If the market price is \$5.50, the consumer surplus in the market will be

☐ \$3.00.

☒ \$4.50.

☐ \$15.50.

☐ \$21.00.

Correct!

Question 3

1 / 1 pts

Josh is willing to pay \$500 for a set of tire, but he is able to pay \$300 at the local tire store. His consumer surplus is

☐ \$800.

Correct!

- ☐ \$300.
- ☒ \$200.
- ☐ \$500.

Question 4**1 / 1 pts**

Producer surplus is

Correct!

- ☐ measured using the demand curve for a good.
- ☐ always a negative number for sellers in a competitive market.
- ☒ the amount a seller is paid minus the cost of production.
- ☐ the opportunity cost of production minus the cost of producing goods that go unsold.

Question 5**0 / 1 pts**

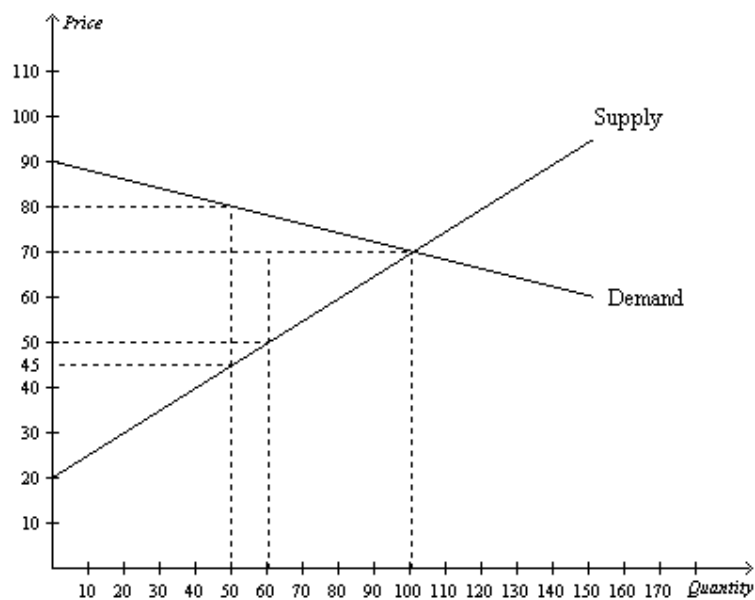
Total surplus is

You Answered

- ☒ the total cost to sellers of providing the good minus the total value of the good to buyers.

Correct Answer

- ☒ the total value of the good to buyers minus the cost to sellers of providing the good.
- ☐ the difference between consumer surplus and sellers' cost.
- ☐ always smaller than producer surplus.

Question 6**1 / 1 pts****Figure 7-22**

Refer to Figure 7-22. At the equilibrium price, consumer surplus is

Correct!

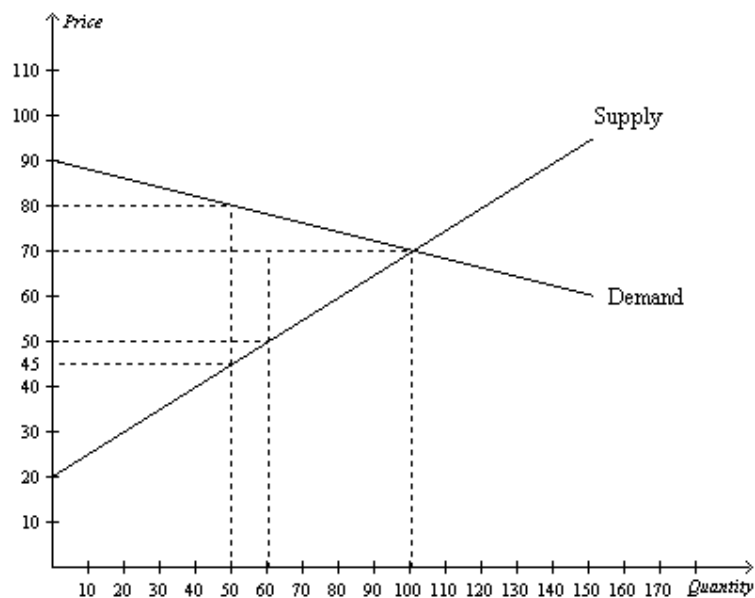
- ☒ \$1,000.
- ☐ \$2,000.
- ☐ \$3,500.

☐ \$500.

Question 7

1 / 1 pts

Figure 7-22



Refer to Figure 7-22. At the equilibrium price, producer surplus is

☐ \$5,000.

☒ \$2,500.

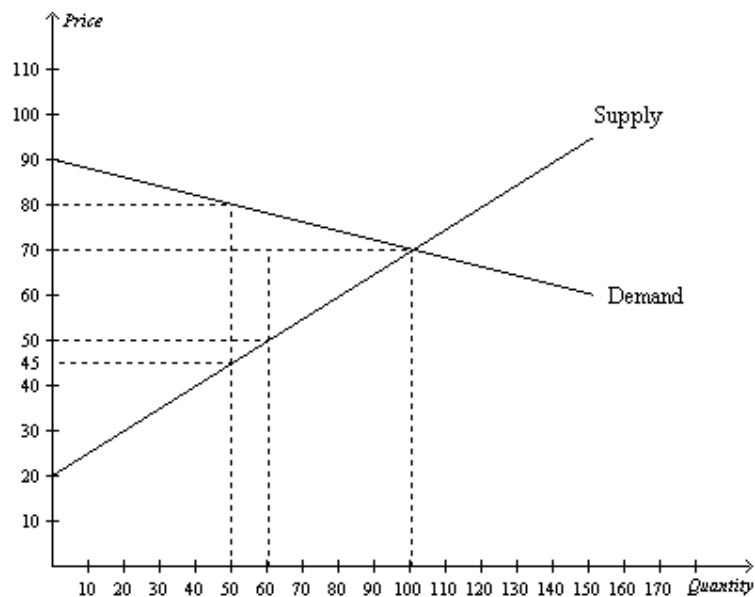
☐ \$3,500.

☐ \$1,750.

Correct!

Question 8

1 / 1 pts

Figure 7-22

Refer to Figure 7-22. At the equilibrium price, total surplus is

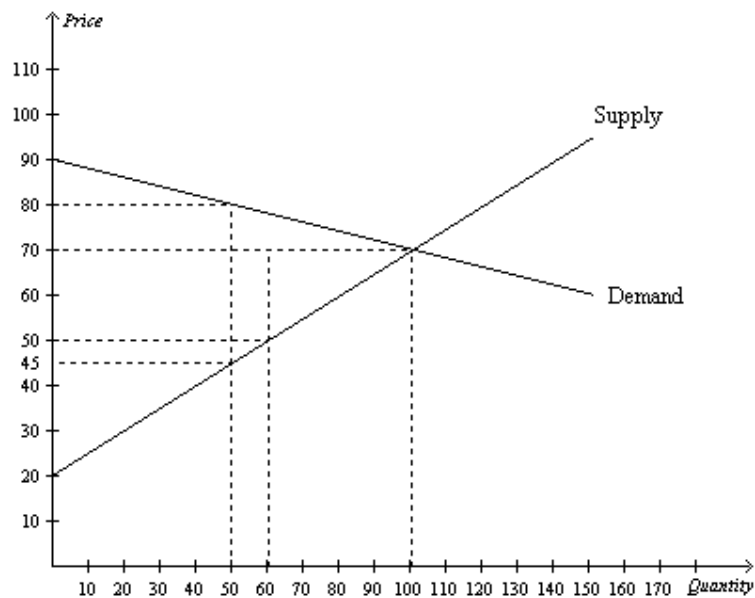
- ☐ \$2,500.
- ☐ \$1,000.
- ☒ \$3,500.
- ☐ \$7,000.

Correct!

Question 9

1 / 1 pts

Figure 7-22



Refer to Figure 7-22. The efficient price is

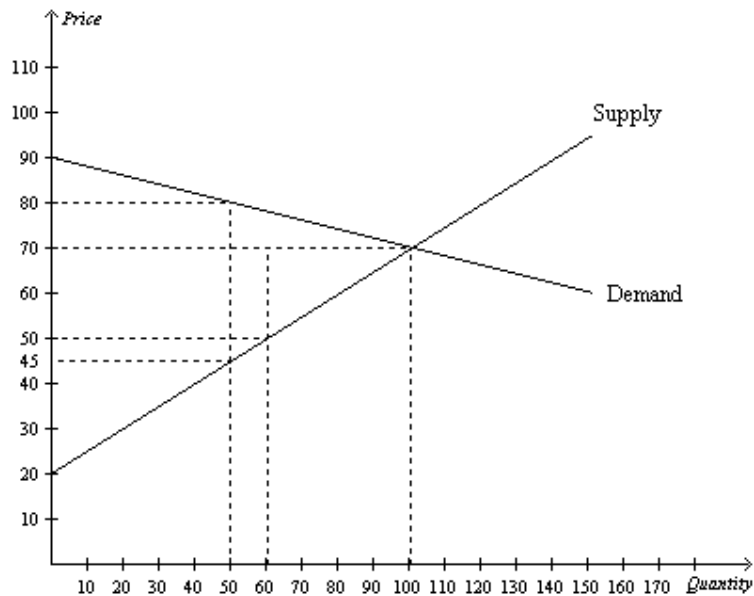
- ☐ \$80, and the efficient quantity is 50.
- ☐ \$70, and the efficient quantity is 60.
- ☒ \$70, and the efficient quantity is 100.
- ☐ \$50, and the efficient quantity is 60.

Correct!

Question 10

1 / 1 pts

Figure 7-22



Refer to Figure 7-22. If 110 units of the good are bought and sold, then

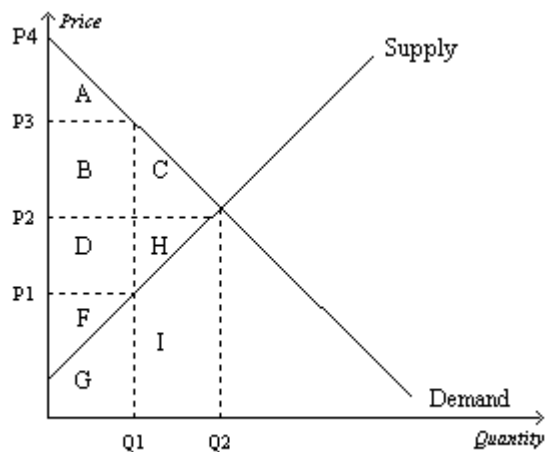
- ☐ the marginal cost to sellers is equal to the marginal value to buyers.
- ☒ the marginal value to buyers is greater than the marginal cost to sellers.
- ☐ the marginal cost to buyers is greater than marginal value to sellers.
- ☐ producer surplus is greater than consumer surplus.

Correct!

Question 11

1 / 1 pts

Figure 7-23



Refer to Figure 7-23. At equilibrium, total surplus is represented by the area

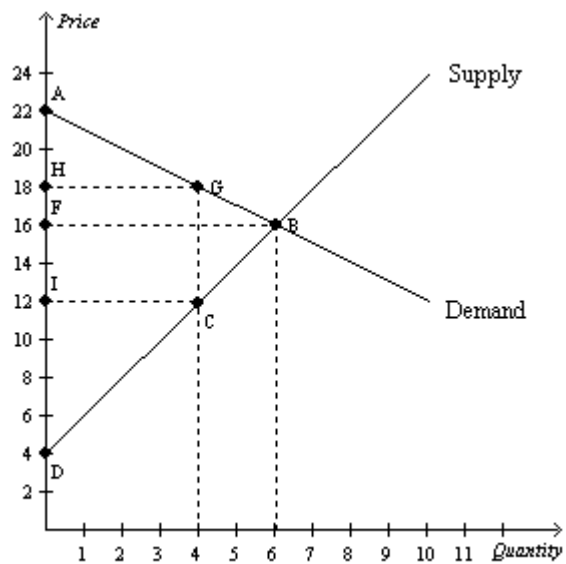
- ☐ A+B+C.
- ☐ A+B+D+F.
- ☒ A+B+C+D+H+F.
- ☐ A+B+C+D+H+F+G+I.

Correct!

Question 12

1 / 1 pts

Figure 7-24



Refer to Figure 7-24. At equilibrium, total surplus is

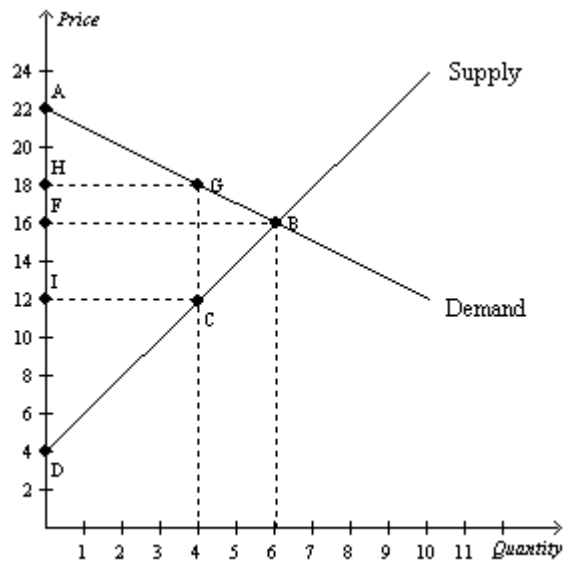
- ☐ \$36.
- ☒ \$54.
- ☐ \$18.
- ☐ \$108.

Correct!

Question 13

1 / 1 pts

Figure 7-24



Refer to Figure 7-24. The equilibrium allocation of resources is

Correct!

- ☒ efficient because total surplus is maximized at the equilibrium.
- ☐ efficient because consumer surplus is maximized at the equilibrium.
- ☐ inefficient because consumer surplus is larger than producer surplus at the equilibrium.
- ☐ inefficient because producer surplus is not maximized.

Quiz Score: **11** out of 13