

Time left 1:24:28

Question 41

Not yet answered

Marked out of 1.00

Gross domestic product:

Select one:

- ☐ a. is a flow variable.
- ☐ b. is a stock variable.
- ☐ c. could be either a flow variable or a stock variable depending on the time period considered.
- ☐ d. is neither a flow nor a stock variable; it is a statistic.

Question 42

Not yet answered

Marked out of 1.00

The value of a unit of money, such as the dollar, always varies:

Select one:

- ☐ a. directly with the price of gold.
- ☐ b. inversely with the price of gold.
- ☐ c. inversely with the average price of gold and silver.
- ☐ d. inversely with the average level of prices.

Question 43

Not yet answered

Marked out of 1.00

Suppose that the price elasticity of demand for grapefruit is -2.8. The introduction of a new variety that is cheaper to grow should cause consumer expenditures for grapefruit to:

Select one:

- ☐ a. rise.
- ☐ b. fall.
- ☐ c. remain unchanged.
- ☐ d. it is not possible to answer with the information given.

Question 44

Not yet answered

Marked out of 1.00

The cost of the Great Depression between 1929 and 1942 was a loss of:

Select one:

- ☐ a. more than the United States ultimately spent on World War II.
- ☐ b. over \$15 trillion in today's dollars.
- ☐ c. the output that otherwise would have been produced by the 50 percent of the nation's workers who had lost their jobs.
- ☐ d. both B and C are true.

Question 45

Not yet answered

Marked out of 1.00

The supply curve for the firm in perfect competition:

Select one:

- ☐ a. is the MC curve above the minimum of ATC.
- ☐ b. tells the quantity produced at each price.
- ☐ c. must result in a price greater than MR.
- ☐ d. shows the outputs at which the firm makes an economic profit.

Question 46

Not yet answered

Marked out of 1.00

A feature of monopoly that leads to unfavorable consequences is that it:

Select one:

- ☐ a. reduces income inequality.
- ☐ b. sets marginal cost equal to price.
- ☐ c. produces more output than if perfectly competitive firms characterized the same industry.
- ☐ d. charges a higher price than if perfectly competitive firms characterized the same industry.

Question 47

Not yet answered

Marked out of 1.00

Following an income-compensated price change, you decide to decrease the quantity of ice cream purchased each month when the price increases and purchase more frozen yogurt instead. This is an indication of the:

Select one:

- ☐ a. substitution effect.
- ☐ b. utility effect.
- ☐ c. income effect.
- ☐ d. consumption effect.

Question 48

Not yet answered

Marked out of 1.00

A firm's total output times the price at which it sells that output is:

Select one:

- ☐ a. net revenue.
- ☐ b. total revenue.
- ☐ c. average revenue.
- ☐ d. marginal revenue.

Question 49

Not yet answered

Marked out of 1.00

Which of the following statements is true about velocity?

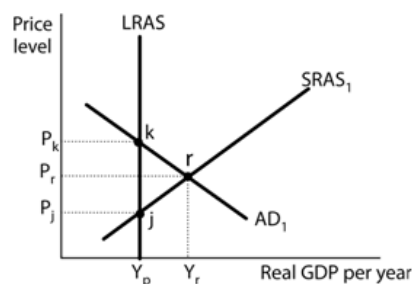
Select one:

- ☐ a. In the short run, velocity varies but in the long run, velocity is relatively constant.
- ☐ b. In the short run, velocity is relatively constant but in the long run, velocity varies.
- ☐ c. Velocity is relatively constant in the short run and in the long run.
- ☐ d. Velocity fluctuates with fluctuations in economic activity and changes in the growth rate of money supply.

Question 50

Not yet answered

Marked out of 1.00

Exhibit: Figure 12-2

In this exhibit (Figure 12-2), if discretionary fiscal policy is used to eliminate the gap, policy actions will:

Select one:

- ☐ a. shift the aggregate demand curve to the left until long-run equilibrium is restored at a price level, P_j and output level, Y_p .
- ☐ b. shift the aggregate demand curve and the short-run aggregate supply curve to the left until long-run equilibrium is restored at a price level P_k and output level, Y_p .
- ☐ c. shift the aggregate demand curve to the left until long-run equilibrium is restored at a price level, P_r and output level, Y_p .
- ☐ d. shift the short-run aggregate supply curve to the left until long-run equilibrium is restored at a price level, P_r and output level, Y_p .