Time left 1:25:19

Question 31

Not yet answered

Marked out of 1.00

All other things unchanged, a tax on a product that leads to an increase in the cost of production would:

Select one:

- a. lead to an increase in supply.
- b. lead to a decrease in demand.
- c. result in an increased price.
- d. lead to a decrease in supply.

Question 32

Not yet answered

Marked out of 1.00

Towards the end of the twentieth century, some of the world's more affluent countries experienced robust growth. Which of the following is not linked to high growth performance?

Select one:

- a. encouragement of competitive behavior
- b. private sector research and development
- c. strict regulations in labor markets, for example strict employment protection legislation
- d. liberal trade policies

Question 33

Not yet answered

Marked out of 1.00

If the price of chocolate-covered peanuts increases and the demand for strawberry licorice twists increases, this indicates that these two goods are:

Select one:

- a. Complements
- b. Inferior goods
- c. Normal goods
- d. Substitutes

Question 34

Not yet answered

Marked out of 1.00

The value of gross domestic product (GDP) differs from the value of gross national product (GNP) when:

Select one:

- a. net exports are excluded from GDP but included in GNP.
- b. production in one country employs factors of production owned by residents of other countries.
- c. production in one country employs only factors of production owned by its residents.
- d. when domestic firms that produce in factories abroad are exempt from paying domestic taxes.

Question 35

Not yet answered

Marked out of 1.00

Assume an economy is operating on its production possibilities curve, which shows the production of military and civilian goods. If the output of military goods is increased, the output of civilian goods:

Select one:

- a. will increase too.
- b. will not change.
- c. must decrease.
- d. may increase or decrease.

Question 36

Not yet answered

Marked out of 1.00

The branch of economics that examines the impact of choices on aggregates in the economy is:

Select one:

- a. positive economics.
- b. normative economics.
- c. macroeconomics.
- d. microeconomics.

Question 37

Not yet answered

Marked out of 1.00

The income effect of a price change is described by which of the following statements?

Select one:

- a. When the price of a good falls, consumers have an implicit increase in income and can now buy more of the good.
- b. When the price of a good falls, consumers will now substitute this lower priced good for more higher priced goods.
- c. The income effect is the relative change in the amount of a good consumed when the price of another good changes.
- d. The income effect shows how a change in income at a given price will affect the quantity of a good purchased.

Question 38

Not yet answered

Marked out of 1.00

The congressional act that established the U.S. central banking system in 1913 was the:

Select one:

- a. Federal Reserve Act.
- b. Gramm-Rudman Act.
- c. Employment Act.
- d. Humphrey-Hawkins Act.

Question 39

Not yet answered

Marked out of 1.00

Marginal cost is the change in:

Select one:

- a. total cost resulting from a 1-unit change in a variable input.
- b. total cost resulting from a 1-unit change in quantity.
- c. total cost resulting from a 1-unit change in average cost.
- d. average cost resulting from a 1-unit change in quantity.

Question 40

Not yet answered

Marked out of 1.00

If your local government gives you the exclusive right to sell breakfast bagels in your community, your monopoly would result from:

Select one:

- a. sunk costs.
- b. location.
- c. economies of scale.
- d. government restrictions.