CSUN Econ 433 Week 1 Problem Set

Name:

Economic theory suggests that under some circumstances, goods and services will be efficiently allocated in the equilibrium of perfectly competitive markets.

1. What does it mean for a good to be efficiently allocated? (5 pts)

2. List at least three circumstances required for the equilibrium of a market to be efficient. (5 pts)

3. Give an example of a market where one or more of the above circumstances do not hold. How can government action help improve efficiency in this market?

These questions pertain to lab Lab 1.

4. How many observations are in the data you downloaded? (e.g. Number of rows, 1 pt)

5. How many variables are in the data you downloaded? (e.g. Number of columns, 1 pt)

6. What does it mean if a person has an EMPSTAT value of 3? (1 pt)

7. What does it mean if a person has an INCWAGE value of 999999? (1 pt)

8. Find the person with SERIAL=70299 and PERNUM=1. Fill in the blanks / circle the correct choice in the sentence below.

   This person is a _____ year old [male / female] who is [married / divorced / never married], with _____ years of college education and is currently [employed / unemployed / not in the labor force].

9. (Extra Credit) What was the average wage and salary income for employed people between the ages of 25 and 65 in Los Angeles County in 2019? (2 pts)

Don't forget to read the article, "Economists Dissect the Yuck Factor", by the New York Times and participate in the Packback Discussion.

Also don't forget to take the Opinion Survey.