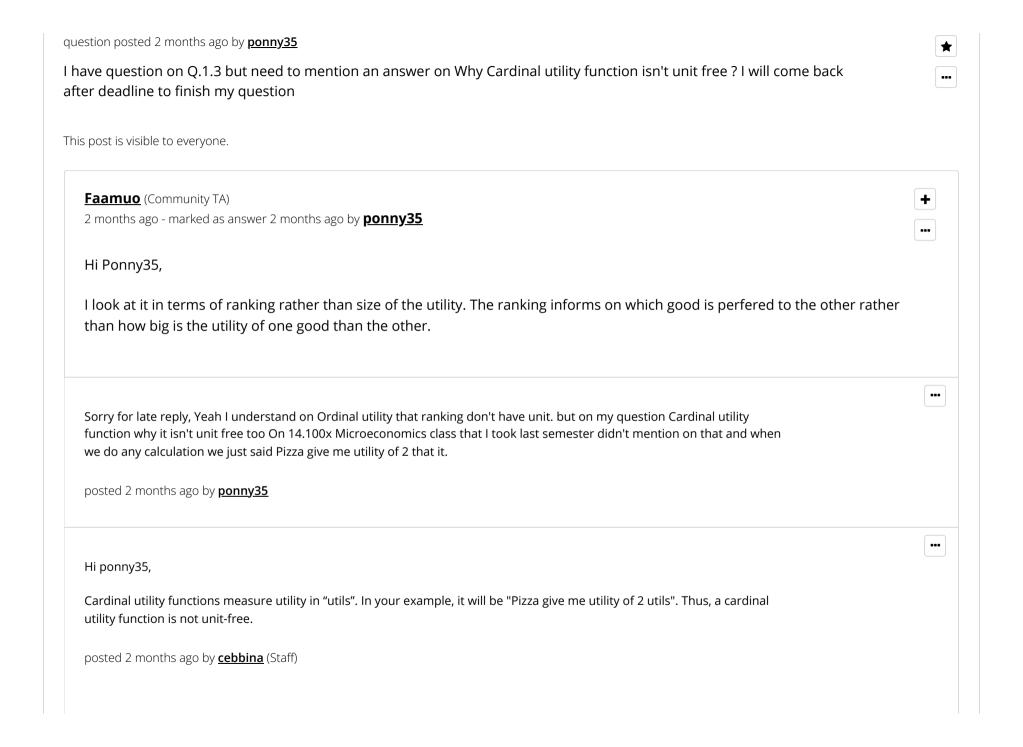
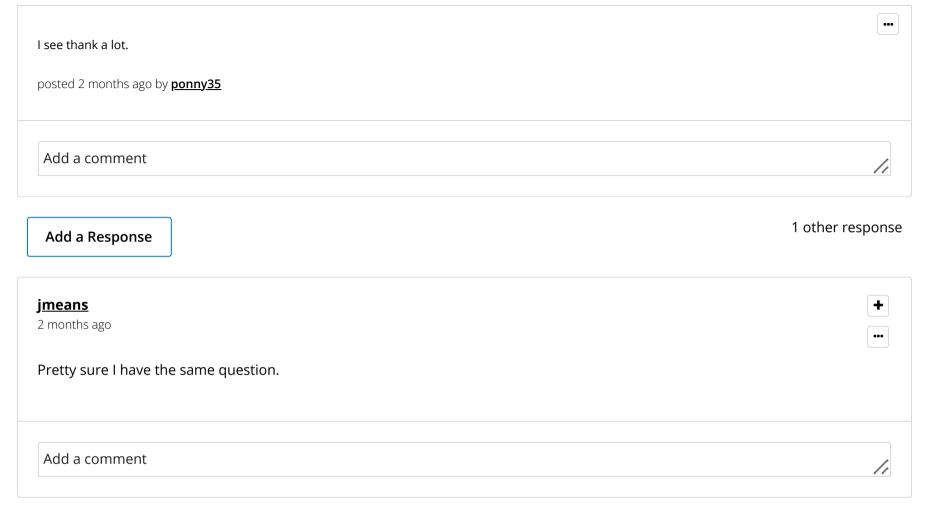
Finger Exercises due Sep 25, 2024 07:30 CST Completed 1.1
1/1 point (graded) Fill in the blanks. A(n) utility function gives us a number, and a(n) utility function just gives us a ranking.
ocardinal; ordinal
Ordinal; cardinal
•
Explanation A cardinal utility function gives an exact number measured in "utils". An ordinal utility function provides a "ranking" or "preference ordering" over bundles.
Submit You have used 1 of 1 attempt
Answers are displayed within the problem
1.2

1/1 point (graded)

True or False? "Bundle A gives me 100 utils", this is an ordinal utility function.
○ True
○ False
Explanation This description gives a number of utility measured in utils. There is no ranking or preference between bundles. Therefore, it is a cardinal utility function.
Submit You have used 1 of 1 attempt
Answers are displayed within the problem
1.3
1/1 point (graded) Which utility function is unit-free?
Cardinal utility function.

Ordinal utility function.	
O Both of them.	
O Neither of them.	
✓	
Explanation The ordinal utility function is unit-free in that it provides a "ranking" or "preference ordering" over bundles. commonly used in demand/consumer theory than the cardinal utility function.	It is more
Submit You have used 1 of 1 attempt	
Answers are displayed within the problem	
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Why Cardinal utility function isn't unit free ?	+





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