

Question 1

Popeye's Parlour supplies both piercing and tattoo services. Higher prices for piercings causes Popeye's to decrease the supply of tattoos. True or False?

Answer: <https://biology-forums.com/index.php?topic=850763>

Question 2

Price discrimination involves charging a lower price to consumers with a less elastic demand and charging a higher price to consumers with a more elastic demand.

True or False?

Answer: <https://biology-forums.com/index.php?topic=852018>

Question 3

Marginal opportunity cost

- A) increases as you supply less.
- B) is constant when some inputs are less productive than others.
- C) is constant when some inputs are more productive than others.
- D) decreases as you supply more.
- E) increases as you supply more.

Answer: <https://biology-forums.com/index.php?topic=850615>

Question 4

Unwanted inventory changes are a form of quantity adjustment.

True or False?

Answer: <https://biology-forums.com/index.php?topic=851247>

Question 5

The more narrowly we define a market, the fewer substitutes there are.

True or False?

Answer: <https://biology-forums.com/index.php?topic=851588>

Question 6

All of the following are examples of public provision except

- A) education up to grade 12.
- B) street lights.
- C) private schools.
- D) public transit.
- E) bridges.

Answer: <https://biology-forums.com/index.php?topic=852450>

Question 7

When there are positive externalities, the market-clearing price is too low for buyers to be willing to buy the socially best output.

True or False?

Answer: <https://biology-forums.com/index.php?topic=852443>

Question 8

Elastic demand means a high willingness to shop elsewhere.

True or False?

Answer: <https://biology-forums.com/index.php?topic=851045>

Question 9

Popeye's Parlour supplies both piercing and tattoo services. Higher prices for piercings cause Popeye's

- A) supply of tattoos to decrease.
- B) quantity supplied of tattoos to increase.
- C) supply of tattoos to increase.
- D) quantity supplied of tattoos to decrease.
- E) quantity demanded of tattoos to increase.

Answer: <https://biology-forums.com/index.php?topic=850725>

Question 10

Waiting lists are a form of quantity adjustment.

True or False?

Answer: <https://biology-forums.com/index.php?topic=851246>

Question 11

Which is a macroeconomic decision?

- A) The Government of Canada reduces the HST.
- B) You switch your cellular plan from Fido to Bell.
- C) You switch your cellular plan from Rogers to Fido.
- D) You add international calling to your cellular plan.
- E) You add Canada-wide calling to your cellular plan.

Answer: <https://biology-forums.com/index.php?topic=850395>

Question 12

If a store pays its employees a commission that is the same percentage for each unit sold, and all other marginal costs are constant, the store has constant marginal costs.

True or False?

Answer: <https://biology-forums.com/index.php?topic=851939>

Question 13

All inputs in a business are equally productive at all activities. As the business increases its output, marginal opportunity cost

- A) decreases but eventually increases.
- B) is constant.
- C) increases.
- D) increases but eventually decreases.
- E) decreases.

Answer: <https://biology-forums.com/index.php?topic=850668>

Question 14

A business has economies of scale if decreases in output cause

- A) increases in average total costs.
- B) decreases in total costs.
- C) decreases in fixed costs.
- D) increases in total costs.
- E) decreases in average total costs.

Answer: <https://biology-forums.com/index.php?topic=852069>

Question 15

If the government sets a rent ceiling above the equilibrium rent,

- A) the supply of rental housing increases.
- B) there is a shortage of rental housing.
- C) there is a surplus of rental housing.
- D) the equilibrium rent does not change.
- E) the equilibrium rent rises.

Answer: <https://biology-forums.com/index.php?topic=851275>

Question 16

When interest rates rise, previously unprofitable investments may become profitable.

True or False?

Answer: <https://biology-forums.com/index.php?topic=852596>

Question 17

The opportunity cost of attending college

- A) depends on your major.
- B) depends on what you could earn now.
- C) depends on what you expect to earn with your college degree.
- D) must be greater than the money cost.

E) must be less than the money cost.

Answer: <https://biology-forums.com/index.php?topic=850271>

Question 18

In Figure 4.2.1, the equilibrium price is

- A) \$7.
- B) \$4.
- C) \$5.
- D) \$3.
- E) \$1.

Answer: <https://biology-forums.com/index.php?topic=850870>

Question 19

If bus fares fall but fewer people are riding the bus, it is likely that

- A) the bus company is incompetent.
- B) demand decreased.
- C) supply decreased.
- D) demand increased.
- E) supply increased.

Answer: <https://biology-forums.com/index.php?topic=850913>

Question 20

When there are diminishing returns, as output increases, increasing productivity decreases marginal costs.

True or False?

Answer: <https://biology-forums.com/index.php?topic=851926>