

Question 1

Products and services that are rare and essential will typically have

- A) many alternatives.
- B) a high total benefit.
- C) a low price.
- D) a low marginal benefit.
- E) a high marginal benefit.

Answer: <https://biology-forums.com/index.php?topic=850484>

Question 2

Your demand will be more elastic when

- A) you spend a large fraction of your income on the product or service.
- B) the product or service is essential to your survival.
- C) you are addicted to the product or service.
- D) close substitutes are hard to find.
- E) there isn't much time to adjust your spending patterns.

Answer: <https://biology-forums.com/index.php?topic=851006>

Question 3

Examples of sunk costs include

- A) unanticipated future costs.
- B) pay-as-you-go phone service.
- C) marginal benefits.
- D) opportunity costs.
- E) long-term leases.

Answer: <https://biology-forums.com/index.php?topic=850645>

Question 4

If superstars Tiger Woods and Roger Federer offered to endorse Gillette razor blades for free, then Gillette would drop the prices they charge the consumer for razor blades.

True or False?

Answer: <https://biology-forums.com/index.php?topic=852632>

Question 5

Property rights are a prerequisite for anything to be produced.

True or False?

Answer: <https://biology-forums.com/index.php?topic=850800>

Question 6

Look at Figure 2.4.1. A decrease in quantity demanded is

- A) a shift from D0 to D1.
- B) a shift from D1 to D0.
- C) a movement from point B to D.
- D) a movement from point D to B.
- E) none of the above.

Answer: <https://biology-forums.com/index.php?topic=850589>

Question 7

The additional opportunity cost of increasing quantity supplied is called marginal cost.

True or False?

Answer: <https://biology-forums.com/index.php?topic=850624>

Question 8

Efficient pollution is only zero if it can be achieved without lowering living standards.

True or False?

Answer: <https://biology-forums.com/index.php?topic=852339>

Question 9

Gina missed her shift at the restaurant in order to attend a soccer game. She paid \$30 for the ticket, \$20 for parking, and ate \$10 worth of popcorn. Had she worked her shift, Gina would have earned \$100. Her opportunity cost of attending the game is

- A) \$60.
- B) \$150.
- C) \$160.
- D) \$0.
- E) \$100.

Answer: <https://biology-forums.com/index.php?topic=850260>

Question 10

The marginal revenue curve for a price-taking business is downward-sloping.
True or False?

Answer: <https://biology-forums.com/index.php?topic=851913>

Question 11

The Atomic Energy Control Board is an example of regulation by a

- A) government department.
- B) government-appointed agency or board.
- C) Crown corporation.
- D) professional association.
- E) natural monopoly.

Answer: <https://biology-forums.com/index.php?topic=852155>

Question 12

There is a shortage when quantity demanded exceeds quantity supplied.
True or False?

Answer: <https://biology-forums.com/index.php?topic=850887>

Question 13

Crown corporations exist in all of the following industries except

- A) diamonds.
- B) railways.
- C) natural gas.
- D) water.
- E) electricity.

Answer: <https://biology-forums.com/index.php?topic=852064>

Question 14

If Canada specializes in the production of wine we can produce 10,000 bottles per month. If Canada specializes in the production of wheat we can produce 200,000 bushels per month. The opportunity cost of a bottle of wine in Canada is

- A) 120,000 bottles of wine.
- B) 20 bushels of wheat.
- C) 200 bushels of wheat.
- D) 2,500 bottles of wine.
- E) 1/20 of a bushel of wheat.

Answer: <https://biology-forums.com/index.php?topic=850307>

Question 15

A business's demand for labour is derived from the demand for that business's product or service.
True or False?

Answer: <https://biology-forums.com/index.php?topic=852551>

Question 16

To make a smart choice, the value of what you get must be greater than the value of what you give up.

Answer: <https://biology-forums.com/index.php?topic=850277>

Question 17

Rent controls set a minimum rent that landlords can charge.

True or False?

Answer: <https://biology-forums.com/index.php?topic=851291>

Question 18

If the price of Pepsi rises, the price of Coke _____ because _____.

- A) falls; Coke is a normal good
- B) rises; Coke and Pepsi are substitutes
- C) rises; Coke is an inferior good
- D) rises; Coke and Pepsi are complements
- E) falls; Coke and Pepsi are substitutes

Answer: <https://biology-forums.com/index.php?topic=850923>

Question 19

Adults are less price sensitive than seniors when making decisions to attend movies.

True or False?

Answer: <https://biology-forums.com/index.php?topic=852021>

Question 20

When your employer offers a higher wage, you decide to work more hours. This is a macroeconomic decision.

True or False?

Answer: <https://biology-forums.com/index.php?topic=850428>