

Question 1

The statement that says "regular absence from an 8 a.m. economics class will have a negative effect on students' grades" is an example of a positive statement.

True or False?

Answer: <https://biology-forums.com/index.php?topic=858585>

Question 2

The expression that an increase in income (Y) causes an increase in spending (S) can be expressed as:

A) $Y = Y(S)$

B) $S = S(Y)$

C) $S = Y(S)$

D) $Y = S$

Answer: <https://biology-forums.com/index.php?topic=858615>

Question 3

The statement that, in a year from now, the rate of inflation will be 2.5% is an example of an economic prediction.

True or False?

Answer: <https://biology-forums.com/index.php?topic=858577>

Question 4

Marginal cost can be obtained only from total fixed cost data.

True or False?

Answer: <https://biology-forums.com/index.php?topic=859708>

Question 5

In the expression $Q = Q(Y, r, S)$, the dependent variables are Y, r, and S, while the independent variable is Q.

True or False?

Answer: <https://biology-forums.com/index.php?topic=858660>

Question 6

When a firm is operating under "constant returns to scale":

A) its LRAC is falling

B) its LRAC is at a minimum

C) its LRAC is rising

D) none of the above

Answer: <https://biology-forums.com/index.php?topic=859664>

Question 7

An arrangement whereby an employee does not necessarily have to be a union member to obtain or keep a job is a(n):

A) open shop

B) union shop

C) closed shop

D) craft shop

Answer: <https://biology-forums.com/index.php?topic=860115>

Question 8

According to the law of demand, there is a direct relationship between income and quantity demanded.

True or False?

Answer: <https://biology-forums.com/index.php?topic=858901>

Question 9

Bar charts are not very useful in economics because they cannot be used to show changes in variables.

True or False?

Answer: <https://biology-forums.com/index.php?topic=858680>

Question 10

Which of the following is correct?

- A) $TC = TVC - TFC$
- B) $TC = TFC - TVC$
- C) $TFC = TC + TVC$
- D) $TFC = TC - TVC$

Answer: <https://biology-forums.com/index.php?topic=859625>

Question 11

If X and Y are substitutes in consumption, an increase in the price of X is likely to cause:

- A) the demand curve for X to shift to the right
- B) the demand curve for X to shift to the left
- C) the demand curve for Y to shift to the right
- D) the demand curve for Y to shift to the left

Answer: <https://biology-forums.com/index.php?topic=858847>

Question 12

Refer to data above. If the price falls to \$4, then total revenue will:

- A) increase to \$840
- B) increase to \$560
- C) fall to \$280
- D) fall to \$300

Answer: <https://biology-forums.com/index.php?topic=859053>

Question 13

Which of the following is not a firm?

- A) The publisher of your economics textbook
- B) Air Canada
- C) A college student union
- D) The Bank of Montreal

Answer: <https://biology-forums.com/index.php?topic=859477>

Question 14

All of the following are firms except:

- A) co-operatives
- B) limited partnerships
- C) general partnerships
- D) a university fraternity

Answer: <https://biology-forums.com/index.php?topic=859480>

Question 15

A monopolistic firm can influence the price of its product.

True or False?

Answer: <https://biology-forums.com/index.php?topic=859921>

Question 16

A tax on the rental portion of income from a factor will:

- A) make its supply more elastic
- B) reduce its supply to zero
- C) cause the factor to shift to another use
- D) not affect the allocation of the factor

Answer: <https://biology-forums.com/index.php?topic=860143>

Question 17

Which of the following is a cause of income inequality?

- A) Education
- B) Discrimination
- C) Social connections
- D) All of the above

Answer: <https://biology-forums.com/index.php?topic=860236>

Question 18

Market structures include:

- A) firmopoly
- B) concentrated structure
- C) oligopoly
- D) variated structure

Answer: <https://biology-forums.com/index.php?topic=859728>

Question 19

Because monopolies can control the market, they always earn profits.

True or False?

Answer: <https://biology-forums.com/index.php?topic=859945>

Question 20

A study explaining the effects of an increase in income on consumer spending is an example of positive economics.

True or False?

Answer: <https://biology-forums.com/index.php?topic=858586>