

Question 1

A decrease in the value of the dollar relative to foreign currencies is likely to cause the level of farm imports to _____ and the level of exports to _____.

Answer: <https://biology-forums.com/index.php?topic=1910854>

Question 2

Which of the following is not one of the three critical characteristics of efficient property rights?

- Exclusivity
- Transferability
- Enforceability
- Externality

Answer: <https://biology-forums.com/index.php?topic=1910688>

Question 3

If the government were to impose a lump-sum tax on a monopolist, what is likely to happen to the quantity produced of a commodity and the price charged relative to the situation where there is no lump-sum tax imposed?

- No change in price or quantity produced, only a reduction in profit
- The price would fall and the quantity produced would fall
- The price would fall but the quantity produced would rise
- No change in price, quantity produced, or profit would occur.

Answer: <https://biology-forums.com/index.php?topic=1910662>

Question 4

According to this diagram, Monterey Jack cheese is what kind of good?

- Luxury
- Necessity
- Inferior
- Can't tell; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910488>

Question 5

Suppose that Cheddars is currently selling 500 Chicken and Oriental salads for \$5. Suppose that the own-price elasticity for this product is -0.8. If Cheddars wishes to lower the price to \$4, you predict that, all other factors held constant, the number of Chicken and Oriental salads sold at this price will be

- 420.
- 580.
- 600.
- Can't tell; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910499>

Question 6

The functions of money include

- A store of value.
- A medium of exchange.
- A unit of accounting.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910774>

Question 7

According to comparative advantage, a nation should

- Import only the goods where the nation has a disadvantage.
- Not produce any goods if the nation is at relative disadvantage.
- Specialize in the production of the good with the least disadvantage.
- Not import any goods if it does not have a relative disadvantage.

Answer: <https://biology-forums.com/index.php?topic=1910894>

Question 8

The current U.S. Secretary of Agriculture is _____.

Answer: <https://biology-forums.com/index.php?topic=1910384>

Question 9

_____ : the amount by which the quantity supplied at a given price exceeds the quantity demanded.

Answer: <https://biology-forums.com/index.php?topic=1910672>

Question 10

The quality of water in the nation's rivers and streams has improved so much that by 2016 nearly 100% of that nation's rivers and streams had a biological condition of good.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910695>

Question 11

_____ : a market structure that has only one firm selling to buyers.

Answer: <https://biology-forums.com/index.php?topic=1910676>

Question 12

The producer price index accounts for changes in the prices of goods and services purchased by consumers.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910816>

Question 13

Suppose that the Beltrand family owns a farm near San Angelo, Texas. Three options exist for how to best use the farm:

Option 1: Raise lambs and earn a profit of \$425,000. Production expenses are \$200,000.

Option 2: Raise cattle and earn a profit of \$475,000. Production expenses are \$400,000.

Option 3: Grow cotton and earn a profit of \$600,000. Production expenses are \$300,000.

Which option should the Beltrand family undertake and what is the opportunity cost in this decision?

- Option 1, \$600,000
- Option 2, \$425,000
- Option 3, \$475,000
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910378>

Question 14

The global average temperature of the planet has _____ by about _____ degrees centigrade since 1900.

Answer: <https://biology-forums.com/index.php?topic=1910702>

Question 15

A complete circular flow of the economy includes both the government sector and the financial markets.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910760>

Question 16

Comparative advantage is a monetary concept and is affected by changes in exchange rates or inflation.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910899>

Question 17

A major change in farm program policy forthcoming in the 2014 farm bill involves greater reliance on property insurance as a means of providing a safety net to farmers.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910731>

Question 18

Non-price competition refers to actions that attempt to increase the demand for a product or service via product differentiation.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910669>

Question 19

Assume the firm graphed below is in Long-run equilibrium. Given this graph, please fill in the following blanks:

a. What level of output would this firm choose to produce _____. b. This firm can be referred to as a _____ because of its market structure. c. The firm's total revenue in the current period is equal to _____. d. The firm's profit in the current period would be equal to _____. The firm's total costs in the current period would be equal to _____, which consists of _____ in variable costs and _____ in fixed costs.

Answer: <https://biology-forums.com/index.php?topic=1910683>

Question 20

The interest rate the Federal Reserve charges when lending reserves to depository institutions is known as the _____.

Answer: <https://biology-forums.com/index.php?topic=1910803>

Question 21

_____ : a market structure in which there are a small number of sellers.

Answer: <https://biology-forums.com/index.php?topic=1910677>

Question 22

Disposable income reflects

- Personal income after taxes.
- Income before taxes.
- Net income from business activity.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910744>

Question 23

Contractionary monetary policy actions will _____ the price of farm commodities.

Answer: <https://biology-forums.com/index.php?topic=1910862>

Question 24

The laissez-faire philosophy held that

- Little or no government control of the economy.
- Strict government control of all economic activity was necessary.
- Establish export laws to stimulate the economy.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910893>

Question 25

_____ : nominal GDP divided by the implicit GDP price deflator.

Answer: <https://biology-forums.com/index.php?topic=1910829>

Question 26

The Conservation Reserve Program pays farmers to take land out of production. The primary focus of the program is on

- maintaining water quality.
- reducing erosion.
- improving habitat for endangered species.
- improving rural landscapes by creating more forested land.

Answer: <https://biology-forums.com/index.php?topic=1910692>

Question 27

A major feature of farm legislation beginning in 2015 includes

- Crop insurance.

- Deficiency payments.
- Set aside requirements to receive farm program benefits.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910723>

Question 28

_____ : the assumption that all other factors that might affect demand are held constant during the time period.

Answer: <https://biology-forums.com/index.php?topic=1910483>

Question 29

National income is equal to wages, rents, interest and profits.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910759>

Question 30

_____ : the situation where equilibrium GDP is less than full employment output.

Answer: <https://biology-forums.com/index.php?topic=1910768>

Question 31

Productivity is defined as the ratio of _____ to _____.

Answer: <https://biology-forums.com/index.php?topic=1910433>

Question 32

Consider the following diagram, which deals with shrimp from Galveston Bay. From this diagram, we can conclude that shrimp from Galveston Bay is a/an _____ good.

Answer: <https://biology-forums.com/index.php?topic=1910486>

Question 33

Equity equals liabilities minus assets.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910426>

Question 34

_____ : the value of food expenditures contributed by firms beyond the farm gate.

Answer: <https://biology-forums.com/index.php?topic=1910429>

Question 35

A short run price elasticity of demand of -0.20 suggests a price flexibility of _____.

Answer: <https://biology-forums.com/index.php?topic=1910741>

Question 36

_____ : a quantitative restriction on the amount of a product that may enter a country during the time period.

Answer: <https://biology-forums.com/index.php?topic=1910915>

Question 37

_____ : the segment of the aggregate supply curve that is perfectly inelastic.

Answer: <https://biology-forums.com/index.php?topic=1910770>

Question 38

Question 1. Given the graph below, the firm would maximize its profit by employing labor to the point where _____ equals _____.

Question 2. The point of tangency between the iso-cost and the isoquant indicates

- How much of two inputs a firm should use.
- How much profit a firm can make using these two inputs.
- The minimum cost of using these two inputs for a given level of output.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910619>

Question 39

The U.S. food and fiber industry

- Benefits from expansionary monetary policies.
- Is one of the nation's most regulated sectors of the economy.
- Includes farm input supply firms.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910719>

Question 40

Expansionary monetary policy actions will _____ the price of farm commodities.

Answer: <https://biology-forums.com/index.php?topic=1910861>

Question 41

The major macro variables affecting economic conditions in production agriculture include the rate of interest.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910847>

Question 42

_____ : policies that lead to an increase in aggregate demand which result in both output and the general price level rising.

Answer: <https://biology-forums.com/index.php?topic=1910832>

Question 43

An increase in U.S. interest rates would cause a decrease in the demand for U.S. dollars.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910870>

Question 44

Given the supply curve in the graph below, producer surplus at a price of \$5 would be _____.

Answer: <https://biology-forums.com/index.php?topic=1910645>

Question 45

Contractionary fiscal policy will shift the aggregate demand curve to the left.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910784>

Question 46

The term "real" as opposed to "nominal" means that economists are making adjustments for _____.

Answer: <https://biology-forums.com/index.php?topic=1910431>

Question 47

Suppose that a retailer sells 500 six-packs of Dr. Pepper per day at \$3.50/six-pack. Also, suppose that the cross-price elasticity between Dr. Pepper and Pepsi is 0.6. If the retailer lowers the price of Pepsi from \$4.00 to \$3.60/six-pack, what is the percentage change in the price of Pepsi?

- 6% increase
- 6% decrease
- 10% increase
- 10% decrease

Answer: <https://biology-forums.com/index.php?topic=1910509>

Question 48

Given the graph below, if the price of beef is \$1,500/ton, then the quantity of imports would be _____ tons and if a \$1,500/ton tariff is imposed, imports would decline to _____ tons.

Answer: <https://biology-forums.com/index.php?topic=1910901>

Question 49

_____ : a mathematical or functional representation of the satisfaction a consumer derives from a consumption bundle.

Answer: <https://biology-forums.com/index.php?topic=1910534>

Question 50

Expansionary monetary policy actions

- Would decrease farmers' operating expenses.
- Would increase farmers' fixed liabilities.
- Would increase farmers' total assets.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910841>

Question 51

_____ : the existence of increasing inflation during a period when the economy is experiencing little or no growth.

Answer: <https://biology-forums.com/index.php?topic=1910825>

Question 52

Using the graph below, if the government required that firms abate a1 units of pollution, this would be _____ because the marginal benefit from additional abatement is _____ than the marginal cost.

Answer: <https://biology-forums.com/index.php?topic=1910704>

Question 53

The market supply curve under conditions of perfect competition is typically perfectly elastic.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910637>

Question 54

Automatic fiscal policy instruments include

- Regressive income tax rate schedule.
- Government contracts.
- Unemployment compensation.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910782>

Question 55

_____ : illustrates the trade-off between the rate of inflation and the rate of unemployment.

Answer: <https://biology-forums.com/index.php?topic=1910833>

Question 56

_____ : defined by the income available for consumption and the prices that a consumer faces.

Answer: <https://biology-forums.com/index.php?topic=1910529>

Question 57

The output produced in bushels and the prices of this output (\$/bushel) over the last three years for Seth Johnson, a farmer in Amarillo, Texas, are as follows:

Year
Output (bushels)
Price (\$/bushel)

2010

70,000
\$3.20

2011
75,000
\$2.90

2012
80,000
\$3.50

Let the base year be 2011. What is the output index for 2010?

- 0.937
- 0.933
- 1.071
- 0.875

Answer: <https://biology-forums.com/index.php?topic=1910397>

Question 58

Expansionary fiscal policy actions

- Lead to growth in aggregate demand resulting from lower interest rates.
- Can be inflationary if the economy is in the Keynesian range of aggregate supply curve.
- Result in an increase in national debt.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910835>

Question 59

One out of every six jobs in the U.S. economy is tied to the food and fiber sector.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910424>

Question 60

Consider the diagram below. At point C, which of the following statement(s) is (are) true?

According to the diagram, which of the following statements is (are) true? (Note: D0 is the original relationship and D1 is the new relationship.)

- Concerns are raised by consumers that ALAR, a carcinogenic (cancer-causing) chemical may have been sprayed on apples.
- The price of bananas, a known substitute for apples, rose.
- New medical research indicates eating apples allows consumers to increase their lifespan.
- Both The price of bananas, a known substitute for apples, rose and New medical research indicates eating apples allows consumers to increase their lifespan

Answer: <https://biology-forums.com/index.php?topic=1910454>

Question 61

_____ : the process of purchasing commodities in one market at a low price and rapidly selling them in another market at a higher price.

Answer: <https://biology-forums.com/index.php?topic=1910920>

Question 62

Consider the following graph:

The rightward parallel shift in the graph may be best explained as:

- The price of Pepsi fell.
- The price of Coca-Cola rose.
- Total income available to the consumer fell.
- Total income available to the consumer rose.

Answer: <https://biology-forums.com/index.php?topic=1910441>

Question 63

In the figure below, the cost-effective way to abate 4 units would be

- For Firm 1 to abate 4 unit and Firm 2 to abate 0 units.
- For Firm 1 to abate 3 unit and Firm 2 to abate 1 unit.
- For Firm 1 to abate 2 unit and Firm 2 to abate 2 units.
- For Firm 1 to abate 1 unit and Firm 2 to abate 3 units.

Answer: <https://biology-forums.com/index.php?topic=1910689>

Question 64

Commodities covered by federal government programs include

- Hay.
- Rice.
- Pork.
- None of the above

Answer: <https://biology-forums.com/index.php?topic=1910714>

Question 65

_____ : the technically efficient combination of two products a business can produce in the current period given its existing resources and technology.

Answer: <https://biology-forums.com/index.php?topic=1910643>

Question 66

Foreign trade enhancements include

- Increasing the value of the dollar.
- Instituting quotas on food imports.
- Reducing tariffs on food imports.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910720>

Question 67

Suppose that Robin budgets \$12/week for Wings 'N' Suds. The price of buffalo wings is \$0.50 while the price of Coca-Cola is \$1.50.

What is the maximum number of Coca-Cola drinks that Robin may buy?

- 6
- 4
- 12
- 8

Answer: <https://biology-forums.com/index.php?topic=1910462>

Question 68

_____ : percent change in quantity supplied with respect to a percent change in the price of the product.

Answer: <https://biology-forums.com/index.php?topic=1910674>

Question 69

_____ : the economic and political philosophy that national wealth and power were dependent upon a nation being able to export more than it imported.

Answer: <https://biology-forums.com/index.php?topic=1910902>

Question 70

The rate of unemployment affects agriculture because

- It suggests weaker off-farm employment opportunities for farm operator families.
- It signals a slower growing economy.
- It signals a movement along the Phillips curve.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910837>

Question 71

If the expenditure allotted to buy Subway and Chick-Fil-A sandwiches equals \$60, what is the price of a Chick-Fil-A sandwich?

- \$2

- \$3
- \$4
- \$5

Answer: <https://biology-forums.com/index.php?topic=1910523>

Question 72

_____ : the number of units of foreign currency that can be exchanged for one unit of domestic currency.

Answer: <https://biology-forums.com/index.php?topic=1910880>

Question 73

_____ : a fixed tax (e.g., a license fee) irrespective of the level of output used by regulatory agencies to eliminate or reduce profit of a monopoly.

Answer: <https://biology-forums.com/index.php?topic=1910678>

Question 74

The marginal propensity to consume is equal to the percent change in consumption with respect to a change in income.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910756>

Question 75

_____ : a sustained rise in the general price level.

Answer: <https://biology-forums.com/index.php?topic=1910826>

Question 76

Which of the following are common barriers to entry?

- economies of scale
- absolute unit-cost advantages
- capital access and costs
- all of the above

Answer: <https://biology-forums.com/index.php?topic=1910658>

Question 77

A small nation importer always gains from trade diversion.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910913>

Question 78

We do not need to actually measure the level of satisfaction derived by a consumer from the consumption of goods. We only need a ranking among the alternative consumption bundles. Thus utility is a(n) _____ concept.

- Cardinal
- Ordinal
- Mathematical
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910445>

Question 79

The own-price elasticity of demand for oranges at the farm level is -0.3. Suppose that an unexpected freeze occurs resulting in a 6% drop in orange production. Orange prices will

- Fall by 20%.
- Rise by 6%.
- Rise by 20%.
- Can't tell; insufficient information

Answer: <https://biology-forums.com/index.php?topic=1910492>

Question 80

Which of the following is true?

- If the cross-price elasticity of demand between two goods is negative, then the two goods are complements.
- If the income elasticity of demand f is greater than 0, then the good is labeled as inferior.

- The law of demand states that as the price of a commodity rises, the changes in consumer surplus is negative.
- The law of diminishing marginal utility states that utility declines as more of a good is consumed.

Answer: <https://biology-forums.com/index.php?topic=1910508>

Question 81

Individual demand schedules for three customers from the local H-E-B store in the purchase of ice cream are given below:
What is the quantity demanded of ice cream at a price of \$1.60 assuming that the only consumers in this market are customers A, B, and C?

- 16
- 22
- 25
- Can't tell; insufficient information

Answer: <https://biology-forums.com/index.php?topic=1910469>

Question 82

Externalities always arise because of a failure of transferability.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910697>

Question 83

Which of the following statement(s) is (are) false?

- The number of U.S. farms at present is about 2 million.
- The average size of U.S. farms is between 800 and 1,000 acres.
- At present, most U.S. farms are organized as partnerships and corporations.
- Both The average size of U.S. farms is between 800 and 1,000 acres and At present, most U.S. farms are organized as partnerships and corporations.

Answer: <https://biology-forums.com/index.php?topic=1910408>

Question 84

A firm's supply curve corresponds to

- the marginal cost curve above the minimum average variable cost curve.
- the average total cost curve.
- the average variable cost curve.
- the marginal cost curve.

Answer: <https://biology-forums.com/index.php?topic=1910656>

Question 85

The index of leading economic indicators of business activity is designed to indicate business fluctuations before they occur.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910815>

Question 86

If the own-price elasticity of demand equals -0.2, then the price flexibility of demand is equal to

- -0.2.
- -0.4.
- -5.
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910496>

Question 87

The elasticity of supply is equal to the percent change in price for a given percent change in quantity.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910636>

Question 88

_____ : an increase in the foreign price of the domestic currency.

Answer: <https://biology-forums.com/index.php?topic=1910877>

Question 89

The producer's supply response under a cobweb adjustment response is based on the previous period price.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910642>

Question 90

_____ : the amount by which the quantity demanded exceeds the quantity supplied at a particular market price.

Answer: <https://biology-forums.com/index.php?topic=1910652>

Question 91

The Federal Open Market Committee or FOMC sets the direction of _____.

Answer: <https://biology-forums.com/index.php?topic=1910797>

Question 92

_____ : a graph of the locus of consumption bundles that provide a consumer a given level of satisfaction.

Answer: <https://biology-forums.com/index.php?topic=1910531>

Question 93

Congress commissioned a study to determine what the poverty level or minimum level for subsistence should be for the U.S. population. What branch of economics does this represent?

- Normative economics
- Positive economics
- Microeconomics
- Macroeconomics

Answer: <https://biology-forums.com/index.php?topic=1910372>

Question 94

What multinational institution was created by the Uruguay Round Agreements and replaced the GATT?

- NAFTA
- European Union
- WTO
- None of the above

Answer: <https://biology-forums.com/index.php?topic=1910889>

Question 95

Barriers to entry are more likely to be stronger under monopolistic competition than under an oligopoly.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910670>

Question 96

RJR Nabisco has three alternatives for manufacturing snack foods:

- Option 1: Manufacture cookies alone and obtain a profit of \$30 million.

- Option 2: Manufacture chips alone and obtain a profit of \$25 million.

-

Option 3: Manufacture both cookies and chips and obtain a profit of \$35 million.

Given the information above, the opportunity cost of this firm is \$30 million.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910382>

Question 97

_____ : goods for which consumption falls (rises) when income increases (decreases).

Answer: <https://biology-forums.com/index.php?topic=1910480>

Question 98

Fiscal policy options can take the form of

- Nuclear fiscal policy instruments.
- Automatic fiscal policy instruments.
- Open market operations.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910781>

Question 99

Lowering the Federal Reserve fractional reserve requirement ratio will increase the money multiplier.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910787>

Question 100

Given the following diagram, the reason that the budget line rotated counterclockwise is due to the fact that the prices of Subway sandwiches fell.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910526>

Question 101

Question 1. _____ : level of output at which average total costs equal average revenue or market price.

Question 2. _____ : level of output at which average variable costs equal average revenue or the market price.

Answer: <https://biology-forums.com/index.php?topic=1910616>

Question 102

_____ : the monetary amount by which a nation's merchandise imports exceed exports during a given time period, usually one year.

Answer: <https://biology-forums.com/index.php?topic=1910876>

Question 103

_____ : reflects what a \$1 today would have purchased in goods and services in a particular base period.

Answer: <https://biology-forums.com/index.php?topic=1910428>

Question 104

The own-price elasticity of demand for shrimp between points A and B is

- -1.857.
- -10.
- -1/10.
- -0.538.

Answer: <https://biology-forums.com/index.php?topic=1910490>

Question 105

Suppose that you are able to save money in the bank and earn interest at the rate of 5% per year. That means that to obtain \$100 in 2 years you would have to give up \$_____ today.

Answer: <https://biology-forums.com/index.php?topic=1910708>

Question 106

Given the graph below, the government can promote expansion of domestic demand curve from D1 to D2 by

- Subsidizing the development of new uses for farm products as an input to producing other goods.
- Contractionary fiscal policy actions.
- Eliminating mandatory biofuel production.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910717>

Question 107

The slope of the investment function for the economy is called the marginal interest sensitivity of investment.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910763>

Question 108

The mathematical representation of the satisfaction a consumer derives from a bundle of goods is called the

- Indifference curve.
- Utility function.
- Engel curve.
- Demand curve.

Answer: <https://biology-forums.com/index.php?topic=1910518>

Question 109

Normal goods are goods for which consumption falls (rises) when income increases (decreases).

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910475>

Question 110

Which of the following is not true?

- The own-price elasticity is always negative.
- Productivity in the farm sector has increased dramatically over the past 50 years.
- The share of total farm receipts earned by the largest farms has been increasing during the past two decades.
- None of these (that is, all statements are true).

Answer: <https://biology-forums.com/index.php?topic=1910507>

Question 111

Using the graph below, after the demand for dollars rises, the quantity of dollars traded is _____.

Answer: <https://biology-forums.com/index.php?topic=1910886>

Question 112

Scarce resources like land, labor, and capital can be categorized as

- Human resources.
- Natural and biological resources.
- Manufactured resources.
- All of these.

Answer: <https://biology-forums.com/index.php?topic=1910369>

Question 113

Given the graph depicted below, the overall elasticity of this demand curve can be categorized as _____.

Answer: <https://biology-forums.com/index.php?topic=1910535>

Question 114

The level of saving in the economy is equal to the level of income times the marginal propensity to consume.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910757>

Question 115

The money multiplier is

- Assures that excess reserves will be driven to zero.
- The number of times GDP can be increased by expansion of the money supply.
- Is equal to the fractional reserve requirement ratio times total reserves.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910778>

Question 116

The rationale for the government intervening in the U.S. farm sector includes supporting/protecting an infant industry.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910727>

Question 117

Suppose that the own-price elasticity for yogurt is -0.6 . Which of the following statement(s) is (are) true?

- Raise the price of yogurt in order to increase revenue in the short-run.
- Lower the price of yogurt in order to increase revenue in the short-run.
- The own-price elasticity of Dannon Yogurt is likely larger than -0.6 (in absolute value).
- Both Raise the price of yogurt in order to increase revenue in the short-run and The own-price elasticity of Dannon Yogurt is likely larger than -0.6 (in absolute value)

Answer: <https://biology-forums.com/index.php?topic=1910494>

Question 118

The marginal rate of substitution between points C and D is

- $5/3$.
- $-5/3$.
- $3/5$.
- $-3/5$.

Answer: <https://biology-forums.com/index.php?topic=1910440>

Question 119

Expansionary monetary policy actions are likely to cause farmland values to _____.

Answer: <https://biology-forums.com/index.php?topic=1910855>

Question 120

Which of the following statement(s) is (are) true?

- If the own-price elasticity of demand is -1 , the demand is said to be unitary elastic.
- A positively sloped Engel curve implies that the commodity is a normal good.
- An income elasticity of less than 1 indicates that the commodity is a necessity.
- All of these.

Answer: <https://biology-forums.com/index.php?topic=1910500>

Question 121

The figure below presents the marginal revenue that a farmer can obtain from water, and the marginal cost to the farmer to move the water to her land. There are two farmers with the exact same marginal revenue and marginal cost curves, but Farmer A is upstream, and therefore allowed to extract her water first. There is only 400 acre feet of water available for the two farmers. If there is no water market, Farmer A would use _____ acre feet and Farmer B would use _____ acre feet. Under the efficient allocation, Farmer A would use _____ acre feet of water, and Farmer B would use _____ acre feet.

Answer: <https://biology-forums.com/index.php?topic=1910711>

Question 122

Most resources are best suited for a particular use. For example, climate and other conditions in Florida allow resources to be used in orange production in lieu of wheat or potato production. What economic concept deals with this issue?

Answer: <https://biology-forums.com/index.php?topic=1910394>

Question 123

_____ : the point at which the marginal cost curve intersects that average total cost curve.

Answer: <https://biology-forums.com/index.php?topic=1910647>

Question 124

_____ : a primary purpose of the International Monetary Fund.

Answer: <https://biology-forums.com/index.php?topic=1910878>

Question 125

What is the income elasticity of demand for pizza between points A and B?

- 0.2
- 2.5
- 1.5
- 0.33

Answer: <https://biology-forums.com/index.php?topic=1910491>

Question 126

The functions of the Federal Reserve System include

- Supply the economy with government bonds.
- Regulate the money supply.
- Supervise the U.S. Treasury.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910775>

Question 127

The output produced in bushels and the price of this output (\$/bushel) for Robert Holden over the last three years are as follows:

Year
Output
Price
Consumer Price Index

1998
7,000
\$3.20
1.10

1999
7,500
\$2.90
1.20

2000
8,000
\$2.80
1.15

Assume that the only source of income for Robert Holden is from the production of this output. The best year in terms of real income for Robert Holden was

- 1998.
- 1999.
- 2000.
- Can't tell; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910395>

Question 128

The figures below present the marginal cost of abatement for two firms. As long as the total abatement being pursued is less than 1 unit, it is cost effective for Firm 2 to not abate any.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910698>

Question 129

Comparative advantage states that a nation will export the foods that it can produce more cheaply than others and import goods that other nations can produce more cheaply.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910897>

Question 130

Disposable income reflects

- Net income from business activity.
- Personal income after taxes.
- Income before taxes.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910834>

Question 131

The economy's aggregate supply curve reflects

- A normal range.
- A classical range.
- A Keynesian or depression range.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910748>

Question 132

The retail value of one dozen eggs is \$2.89. Farmers receive \$1.04 for this dozen of eggs. What is the farmer's share of the retail dollar?

- 64%
- 56%
- 45%
- 36%

Answer: <https://biology-forums.com/index.php?topic=1910400>

Question 133

Concern is expressed on the part of the current administration about what should be the optimal tax rate for those households who make more than \$250,000 per year. This issue corresponds to what branch of economics?

Answer: <https://biology-forums.com/index.php?topic=1910390>

Question 134

_____ consists of provisions to remove both tariff and nontariff barriers to trade with members, while retaining individual trade barriers with nonmember nations.

Answer: <https://biology-forums.com/index.php?topic=1910918>

Question 135

Which of the following are not important areas of remaining scientific uncertainty regarding global climate change?

- Whether or not agriculture in the United States will be adversely affected by climate change.
- Whether or not concentrations of carbon dioxide have increased in the atmosphere.
- Whether or not greenhouse gases trap heat in the atmosphere.

• Whether or not the planet has warmed on average.

Answer: <https://biology-forums.com/index.php?topic=1910687>

Question 136

_____ refers to the implicit cost associated with the next best alternative in a set of choices available to decision-makers.

- Specialization
- Opportunity cost
- Resource scarcity
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910376>

Question 137

An increase in government spending is a _____ fiscal policy action.

Answer: <https://biology-forums.com/index.php?topic=1910798>

Question 138

Expansionary monetary policy actions will lead to a growth in farmland values and farm equity as net farm incomes rise and interest rates fall.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910852>

Question 139

Given the graph below, consumers are said to be better off given the increase in demand if area 2 is greater than area 4.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910724>

Question 140

Contractionary fiscal policy actions are likely to result in a _____ in net farm income.

Answer: <https://biology-forums.com/index.php?topic=1910856>

Question 141

_____ : the economic sacrifice of not doing something else or foregoing another opportunity.

Answer: <https://biology-forums.com/index.php?topic=1910388>

Question 142

This question pertains to the following table that gives the output produced (in bushels) and price of corn received (\$/bushel) for Farmer Smith over the period 2008 to 2010. Assume that the only source of income for Farmer Smith is from the production of corn. Also assume that all production costs are zero.

Year	Output	Price	CPI
------	--------	-------	-----

2008	6,000	\$2.00	1.00
------	-------	--------	------

2009	8,000	\$2.60	1.10
------	-------	--------	------

2010			
------	--	--	--

10,000
\$2.50
1.40

The best year in terms of real income for Farmer Smith was

- 2008.
- 2009.
- 2010.
- can't tell; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910420>

Question 143

Most resources are best suited for a particular use. For example, climate and other conditions in Florida allow resources to be used in orange production in lieu of wheat or potato production. What economic concept deals with this issue?

- Specialization
- Opportunity cost
- Fallacy of composition
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910375>

Question 144

Using the graph below, the value of the zlotych will _____ after U.S. interest rates rise.

Answer: <https://biology-forums.com/index.php?topic=1910887>

Question 145

Contractionary fiscal policy actions will result in a decrease in net farm income as the demand for farm commodities decrease.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910851>

Question 146

_____ : a finite quantity of resources that is available to meet society's needs.

Answer: <https://biology-forums.com/index.php?topic=1910385>

Question 147

Given the graph below, the gain in producer surplus as a result of the addition of export demand is equal to area 2 plus area 3 which are gained from domestic and international consumers.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910733>

Question 148

Which of the following diagrams best illustrates the immediate impact of a food safety scare due to Salmonella infections of chicken? (Note: D0 is the original relationship and D1 is the new relationship.)

- A
- B
- C
- D

Answer: <https://biology-forums.com/index.php?topic=1910459>

Question 149

Which of the following statement(s) is (are) false?

- The U.S. economy represents a purely capitalistic system.
- The current U.S. Secretary of Agriculture is Sonny Perdue.
- The index most frequently used by economists to measure inflation is the CPI.
- Both The current U.S. Secretary of Agriculture is Sonny Perdue and The index most frequently used by economists to measure inflation is the CPI.

Answer: <https://biology-forums.com/index.php?topic=1910410>

Question 150

_____ : the farm sector often produces more than it can sell at a desired price, leading to rising stocks of surplus commodities such as corn and cheese.

Answer: <https://biology-forums.com/index.php?topic=1910736>

Question 151

_____ : system whereby currency values are determined by market supply and demand conditions, with minimal government intervention.

Answer: <https://biology-forums.com/index.php?topic=1910882>

Question 152

Suppose that Robin budgets \$12/week for Wings 'N' Suds. The price of buffalo wings is \$0.50 while the price of Coca-Cola is \$1.50. Which of the following is (are) true?

- At point C, the consumer is said to be in equilibrium.
- At point C, the slope of the budget line and the MRS are not equal.
- The optimal combination of goods for Robin is 12 buffalo wings and 4 of Coca-Cola drinks.
- Both At point C, the consumer is said to be in equilibrium and The optimal combination of goods for Robin is 12 buffalo wings and 4 of Coca-Cola drinks
- All of these

Answer: <https://biology-forums.com/index.php?topic=1910463>

Question 153

Assume that for a given consumer, the marginal utility of cheap food is 100 and the price of cheap food is \$40. Also, assume that the marginal utility of environmental quality is 200 and the price of environmental quality is \$100. This consumer:

- Is in equilibrium.
- Should buy more cheap food.
- Should buy more environmental quality.
- Can't tell; insufficient information given to answer this question.

Answer: <https://biology-forums.com/index.php?topic=1910465>

Question 154

The civilian labor force includes

- The number of people in the Armed Services.
- The number of employed and unemployed persons in the economy.
- The number of employed persons.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910808>

Question 155

Assume that for a given consumer, the marginal utility of 7-Up is 160 and the price of 7-Up is \$2. Also, assume that the marginal utility of Coca-Cola is 200 and the price of Coca-Cola is \$3. This consumer

- Is in equilibrium.
- Should buy more 7-Up
- Should buy more Coca-Cola.
- Should buy more of both products.

Answer: <https://biology-forums.com/index.php?topic=1910473>

Question 156

The clockwise rotation in this diagram may be best explained as

- The price of pork rose.
- The price of beef rose.
- Total consumer income allotted to beef and pork.
- The price of beef fell.

Answer: <https://biology-forums.com/index.php?topic=1910436>

Question 157

_____ : program designed to reduce acreage in production, reduce erosion and improve water quality.

Answer: <https://biology-forums.com/index.php?topic=1910740>

Question 158

Consumption expenditures consists of

- Purchases of food.
- Purchases of airline tickets.
- Purchases of automobiles.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910745>

Question 159

Suppose that Robin budgets \$12/week for Wings 'N' Suds. The price of buffalo wings is \$0.50 while the price of Coca-Cola is \$1.50. What is the maximum number of buffalo wings that Robin may buy?

- 4
- 12
- 24
- 28

Answer: <https://biology-forums.com/index.php?topic=1910461>

Question 160

The monetary policy tools available to the Federal Reserve System include

- Change the prime interest rate.
- Changes in excess reserve requirements.
- Open market operations.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910776>

Question 161

Consumer-oriented exports include which of the following types of products?

- Vegetables, fruit and live cattle
- Beef, ice cream and chicken
- Wheat, pineapple and soybean oil
- All of the above

Answer: <https://biology-forums.com/index.php?topic=1910866>

Question 162

The number of U.S. farms is on the order of 4 million at present.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910421>

Question 163

_____ : the area below the market demand curve and above the market supply curve.

Answer: <https://biology-forums.com/index.php?topic=1910649>

Question 164

A inflationary gap occurs in the economy when

- Aggregate demand is perfectly elastic.
- Aggregate demand is greater than potential GDP.
- Aggregate demand is greater than full employment output.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910751>

Question 165

YFE represents the level of potential GDP in the economy.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910754>

Question 166

According to the chart below, which bundle is least preferred, assuming total utility is the product of the quantity of popcorn and the quantity of sodas?

Bundle
Quantity of Popcorn
Quantity of Sodas

A
6
7

B
5
8

C
4
9

D
7
5

- Bundle A
- Bundle B
- Bundle C
- Bundle D

Answer: <https://biology-forums.com/index.php?topic=1910446>

Question 167

Which of the following statement(s) is (are) true?

- If the cross-price elasticity of demand between two goods is negative, then the two goods are complements.
- If the income elasticity of demand for a product is greater than 1, then the good is labeled a necessity.
- If the income elasticity of demand for a product is negative, then the good is labeled an inferior good.
- Both If the cross-price elasticity of demand between two goods is negative, then the two goods are complements and If the income elasticity of demand for a product is negative, then the good is labeled an inferior good

Answer: <https://biology-forums.com/index.php?topic=1910497>

Question 168

Given the following information:

Cash receipts from farm marketing
\$750,000

Receipts of government payments
\$150,000

Other income from farm sources
\$100,000

Production expenses
\$400,000

Value of real estate assets
\$10 million

Value of non-real estate assets
\$2 million

Financial assets
\$4 million

Liabilities
\$9 million

The equity for this operation is

- \$600,000.
- \$1 million.
- \$7 million.
- \$25 million.

Answer: <https://biology-forums.com/index.php?topic=1910412>

Question 169

An increase in supply involves

- A shift in the supply curve to the right.
- Movement along the supply curve.
- A shift in the demand curve to the right.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910628>

Question 170

_____ : cooperative pool formed by oligopolists to set artificially high prices.

Answer: <https://biology-forums.com/index.php?topic=1910681>

Question 171

_____ : the value of one currency relative to other countries, accounting for different inflation rates between countries.

Answer: <https://biology-forums.com/index.php?topic=1910881>

Question 172

The arrangement among producers and processors of agricultural commodities in which the chief goal is to improve income is called

- a marketing order.
- a monopsony.
- collusion.
- nonprice competition.

Answer: <https://biology-forums.com/index.php?topic=1910661>

Question 173

Asset fixity refers to the difficulty that farmers have in disposing of used machinery and equipment when downsizing or switching enterprises.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910725>

Question 174

A market shortage occurs in a market when the quantity supplied at a given price exceeds the quantity demanded.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910640>

Question 175

Congress commissioned a study to determine what the poverty level or minimum level for subsistence should be for the U.S. population. To what branch of economics does this study correspond?

Answer: <https://biology-forums.com/index.php?topic=1910393>

Question 176

Given the graph below, the historical approach to supporting major crop prices involved the Commodity Credit Corporation (CCC):

- Purchasing the excess supply that would occur at the desired price PG.
- Causing consumer surplus to decline by area 5.
- Achieving a gain in producer surplus of areas 3 + 4.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910715>

Question 177

An increase in demand involves

- A shift in the demand curve to the left.
- A shift in the supply curve to the right.
- Movement along the demand curve.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910627>

Question 178

Suppose the index of prices received by farmers for 2012 was 1.70 and the base year of this index was 1996. Then

- relative to 1996, prices received by farmers were 70% lower in 2012.
- relative to 2012, prices received by farmers were 70% higher in 1996.
- relative to 1996, prices received by farmers were 70% higher in 2012.
- relative to 2012, prices received by farmers were 70% lower in 1996.

Answer: <https://biology-forums.com/index.php?topic=1910413>

Question 179

Agricultural economics is an applied social science.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910379>

Question 180

Which of the following is not true?

- All food and beverage products are normal goods.
- One out of every ten jobs in the U.S. economy is tied to the food and fiber industry.
- U.S. farms tend to be specialized rather than diversified in that about half of the U.S. farms produce just one commodity.
- Both All food and beverage products are normal goods and One out of every ten jobs in the U.S. economy is tied to the food and fiber industry.

Answer: <https://biology-forums.com/index.php?topic=1910409>

Question 181

The FAIR Act represented a major departure from previous farm programs by _____ program benefits from planting decisions.

Answer: <https://biology-forums.com/index.php?topic=1910742>

Question 182

Macroeconomic policies that promote supply expansion will expand the level of output in the aggregate product market and cause the general price level to decline.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910823>

Question 183

Hill's Pet Nutrition, Inc. of Topeka, Kansas has three alternatives for manufacturing pet foods:

Alternative 1: Manufacture cat food alone and obtain a profit of \$20 million.

Alternative 2: Manufacture dog food alone and obtain a profit of \$30 million.

Alternative 3: Manufacture both dog food and cat food and obtain a profit of \$45 million.

The opportunity cost of the firm is:

- \$15 million.
- \$20 million.
- \$30 million.
- \$45 million.

Answer: <https://biology-forums.com/index.php?topic=1910366>

Question 184

Which of the following statements is false?

- Agricultural economics is an applied social science.
- The rational consumer maximizes satisfaction subject to a budget constraint.
- Regardless of the commodity, the farmer always receives 20 cents of the dollar spent in food.
- The Latin phrase ceteris paribus means everything else the same or holding all other factors constant.

Answer: <https://biology-forums.com/index.php?topic=1910437>

Question 185

Indifference curves may intersect.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910524>

Question 186

Given the diagram below, what can you conclude?

- The diagram pertains to a demand curve.
- The diagram pertains to a budget line.
- The diagram pertains to an Engel curve for any inferior good.
- Can't tell; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910460>

Question 187

The following graph depicts

- an Engel curve.
- a perfectly elastic demand curve.
- a perfectly inelastic demand curve.
- a budget line.

Answer: <https://biology-forums.com/index.php?topic=1910458>

Question 188

_____ : a product that is made different from others through advertising or quality variation.

Answer: <https://biology-forums.com/index.php?topic=1910675>

Question 189

The term "real" as opposed to "nominal" means that economists are making adjustments for

- opportunity cost.
- inflation.

- resource scarcity.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910419>

Question 190

The marginal utility of a good (e.g., bananas) declines with increases in the consumption of that good. This phenomenon is referred to as the

- Law of Diminishing Marginal Utility.
- Engel's Law.
- Law of Demand.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910439>

Question 191

_____ : ability of a nation to specialize in the production of the good for which it has the lowest opportunity cost.

Answer: <https://biology-forums.com/index.php?topic=1910903>

Question 192

An increase in aggregate demand in the normal range of the economy's aggregate supply curve will increase the general price level in the economy.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910790>

Question 193

A quota represents

- A combination of ad valorem and specific tariffs.
- A quantitative restriction on the amount of good that may be imported.
- A compromise between taxpayers and consumers.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910892>

Question 194

A short run own price elasticity of demand of -0.20 suggests a price flexibility coefficient of

- -5.0.
- +2.0.
- -2.0.
- -0.50.

Answer: <https://biology-forums.com/index.php?topic=1910721>

Question 195

Assume that the total for a given consumer, the marginal utility of food is 160 and the price of food is \$40. Also, assume that the marginal utility of environment quality is 500 and the price of environmental quantity of \$100. This consumer should partake in more environmental quality.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910477>

Question 196

A record crop can lead to

- Sharp declines in input use and cash receipts from sale of production.
- Sharp declines in cash receipts from sale of production and higher input prices taxes.
- Sharp declines in farm product prices and cash receipts from sale of production.
- None of the above

Answer: <https://biology-forums.com/index.php?topic=1910713>

Question 197

The shift in the budget line in the graph below is due to

- an increase in the price of hamburgers.
- an increase in the price of tacos.
- a rise in income.
- a fall in income.

Answer: <https://biology-forums.com/index.php?topic=1910435>

Question 198

When a small country importer imposes an import tariff, it experiences a new welfare loss, while the rest of the world experiences a net welfare gain.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910912>

Question 199

Which country is both one of the top markets for U.S. agricultural exports and the top supplier of agricultural imports to the United States?

- Mexico
- South Korea
- China
- Varies by year.

Answer: <https://biology-forums.com/index.php?topic=1910868>

Question 200

_____ : program covering losses in income from commodity price declining reference prices.

Answer: <https://biology-forums.com/index.php?topic=1910738>

Question 201

The interbank market trafficking in reserves is known as the _____.

Answer: <https://biology-forums.com/index.php?topic=1910802>

Question 202

The figure below represents the marginal cost of abatement for two firms. If firms are initially required to abate 3 units each, but they have the option of trading, Firm _____ would buy pollution rights so that it is required to abate less and Firm _____ would sell rights, requiring it to abate more.

Answer: <https://biology-forums.com/index.php?topic=1910707>

Question 203

Which of the following is the best example of an inferior good?

- Premium beer
- Vintage California wine
- Kool-Aid
- Vintage French champagne

Answer: <https://biology-forums.com/index.php?topic=1910471>

Question 204

According to the following chart,

Bundle
Bottles of Dr. Pepper
Number of wings
Total Utility

A
3
4
24

B
2
6
24

C
4
5
40

D
5
3
30

when total utility is equal to 24, how many bottles of Dr. Pepper will this consumer give up in order to get on more wing?

- None
- One-half
- Two
- Can't tell; insufficient information

Answer: <https://biology-forums.com/index.php?topic=1910519>

Question 205

Leading indicators of activity in the economy:

- New building permits
- Labor cost per unit or output
- Current industrial production
- None of the above

Answer: <https://biology-forums.com/index.php?topic=1910805>

Question 206

Comparative advantage based on nonmarket factors are dependent on politics rather than economics for sustained existence.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910900>

Question 207

Given the graph below, one can conclude that efforts by the Federal Reserve to fight inflation will _____ employment in the economy.

Answer: <https://biology-forums.com/index.php?topic=1910824>

Question 208

Given the following data:

Quantity of Wings
Total Utility
Marginal Utility (MU)

3
60
--

5
90
?

- 15 utils
- 20 utils
- 30 utils
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910522>

Question 209

What branch of economics is concerned with effects of nutrition labeling on the dietary quality of consumers (i.e., what-if types of questions)?

- Normative economics
- Positive economics
- Microeconomics
- Macroeconomics

Answer: <https://biology-forums.com/index.php?topic=1910370>

Question 210

Types of unemployment:

- Structural unemployment
- Frictional unemployment
- Seasonal unemployment
- All of the above

Answer: <https://biology-forums.com/index.php?topic=1910806>

Question 211

Given the following data:

Cash receipts from farm marketing
\$750,000

Receipts of government payments
\$150,000

Other income from farm sources
\$100,000

Production expenses
\$400,000

Value of real estate assets
\$10 million

Value of non-real estate assets
\$2 million

Financial assets
\$4 million

Liabilities
\$9 million

Net farm income for this operation is

- \$600,000.
- \$1 million.
- \$7 million.
- \$25 million.

Answer: <https://biology-forums.com/index.php?topic=1910411>

Question 212

_____ : the area above the market supply curve and below the market equilibrium price.

Answer: <https://biology-forums.com/index.php?topic=1910648>

Question 213

Export demand for commodities is affected by

- Expansionary fiscal policy which leads to higher U.S. interest rates relative to importing countries.
- A stronger U.S. dollar.
- Contractionary monetary policy which leads to higher U.S. interest rates relative to importing countries.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910716>

Question 214

_____ : percent change in quantity supplied with respect to a percent change in the price of the product.

Answer: <https://biology-forums.com/index.php?topic=1910651>

Question 215

As a consumer's disposable income rises, the proportion of income spent on food falls. This assertion is known as _____.

Answer: <https://biology-forums.com/index.php?topic=1910432>

Question 216

What branch of economics is concerned with interest rates and the gross domestic product (GDP) of the U.S. economy?

- Normative economics
- Positive economics
- Microeconomics
- Macroeconomics

Answer: <https://biology-forums.com/index.php?topic=1910373>

Question 217

_____ : unemployment associated with business fluctuations.

Answer: <https://biology-forums.com/index.php?topic=1910827>

Question 218

In order to construct the budget line, one only needs to know the prices of the goods in question.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910525>

Question 219

Which of the following is true about oligopoly?

- There are many sellers
- There is no ability to set price
- There are few buyers
- none of the above

Answer: <https://biology-forums.com/index.php?topic=1910666>

Question 220

Assume that a retailer sells 500 units of Yoplait Yogurt per day at a price of \$0.40/unit. You, as an economic analyst, estimate that the cross-price elasticity between Yoplait Yogurt and Dannon Yogurt is 0.8. If the retailer raises the price of Dannon Yogurt from \$0.50/unit to \$0.60/unit, how would sales of Yoplait Yogurt be affected?

- Sales of Yoplait Yogurt would not be affected at all.
- Sales of Yoplait Yogurt would rise by 40 units.
- Sales of Yoplait Yogurt would rise by 80 units.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910498>

Question 221

Exports are financially recorded as negative entries in the balance of payments since the products leave the U.S.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910869>

Question 222

_____ : market structure characterized by large number of producers selling a homogeneous product, each with perfect information, and no barriers to entry or exit.

Answer: <https://biology-forums.com/index.php?topic=1910644>

Question 223

The own-price elasticity for cherries at the farm level is -0.60 . Because of the recent freeze in Washington, cherry production will fall by 12 percent. Cherry prices are likely to

- Rise by 20%.
- Remain the same.
- Fall by 20%.
- Can't tell; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910505>

Question 224

The budget deficit in the current period is financed by the net sales of government securities by the U.S. Treasury department.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910849>

Question 225

The unemployment of capital can be expressed in terms of the manufacturing capacity utilization rate.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910819>

Question 226

_____ : a market structure in which a large number of firms produce a differentiated product.

Answer: <https://biology-forums.com/index.php?topic=1910673>

Question 227

The U.S. is highly sensitive to increasing interest rates.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910729>

Question 228

Question 1. _____ : the sum of all individual categories of production costs that do vary with the level of production.

Question 2. _____ : is the point at which the marginal physical product curve for a particular input is rising but still lies above the average physical product curve.

Answer: <https://biology-forums.com/index.php?topic=1910618>

Question 229

The Latin phrase, ceteris paribus, means

- let the buyer beware.
- the rational consumer maximizes satisfaction.
- agricultural economics is an applied social science.
- everything else the same, or holding all other factors constant.

Answer: <https://biology-forums.com/index.php?topic=1910464>

Question 230

_____ : a measure of the relative response of consumption of a good or service to changes in price.

Answer: <https://biology-forums.com/index.php?topic=1910514>

Question 231

_____ : branch of economics that focuses on the economic actions of individuals or specific groups of individuals.

Answer: <https://biology-forums.com/index.php?topic=1910386>

Question 232

The more inelastic the market demand curve or a commodity, the more prices will _____.

Answer: <https://biology-forums.com/index.php?topic=1910734>

Question 233

The U.S. farm sector is characterized by a large number of large, highly capitalized farming operations.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910730>

Question 234

An agribusiness firm may undertake three alternatives: buy cane sugar and manufacture various sugars and sweets, making a profit of \$12 million; buy corn and produce ethanol, making a profit of \$16 million; or buy wheat and produce breads, rolls, and pastries, making a profit of \$13 million. The opportunity cost associated with these three choices is

- \$3 million.
- \$4 million.
- \$13 million.
- \$16 million.

Answer: <https://biology-forums.com/index.php?topic=1910371>

Question 235

A major factor influencing net farm income and farmland values over the last several decades was the renewable fuel mandate for producing ethanol.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910844>

Question 236

Both U.S. Congress and the Executive Branch share responsibility for the formulation of U.S. trade policy.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910914>

Question 237

Investment expenditures consists of

- Construction of new roads and bridges.
- Purchase of farmland.
- Construction of office buildings.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910746>

Question 238

_____ : if the Chinese yuan is fixed in value relative to the US dollar.

Answer: <https://biology-forums.com/index.php?topic=1910883>

Question 239

The basis for trade includes

- Autarky.
- Differing opportunity costs.
- Identical opportunity costs.
- Government regulatory actions.

Answer: <https://biology-forums.com/index.php?topic=1910890>

Question 240

The output produced in bushels and the prices of this output (\$/bushel) over the last three years for Seth Johnson, a farmer in Amarillo, Texas, are as follows:

Year	Output (bushels)	Price (\$/bushel)
------	------------------	-------------------

2010	70,000	\$3.20
------	--------	--------

2011	75,000	\$2.90
------	--------	--------

2012	80,000	\$3.50
------	--------	--------

Let the base year be 2011. What is the price index for 2012?

- 0.829
- 1.094
- 1.207
- 0.914

Answer: <https://biology-forums.com/index.php?topic=1910399>

Question 241

_____ : when household disposable income goes up, the level of planned consumption goes up also.

Answer: <https://biology-forums.com/index.php?topic=1910765>

Question 242

_____ : program that makes a payment to a farmer if revenue for all crops or a county's revenue for a crop falls below 86% of a revenue benchmark.

Answer: <https://biology-forums.com/index.php?topic=1910739>

Question 243

Suppose that Bill Toney, a tobacco farmer near Roanoke, Virginia has assets of \$50 million and liabilities of \$38 million. What is the equity for this tobacco farmer?

- \$6 million
- \$12 million
- \$50 million
- \$88 million

Answer: <https://biology-forums.com/index.php?topic=1910403>

Question 244

The occurrence of drought conditions in the corn market will

- Increase the price of corn.
- Lower consumer surplus.
- Result in a deadweight loss to society.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910630>

Question 245

The rate of growth in GDP affects agriculture

- Has a major effect on agriculture because of the high income elasticity for agricultural products.
- Has a minimal effect on agriculture because more consumers eat away from home.
- Has a major effect on agriculture because people need to eat.
- Has a minimal effect on agriculture because of the low income elasticity for agricultural products.

Answer: <https://biology-forums.com/index.php?topic=1910839>

Question 246

The so-called "real economy" includes the money market.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910848>

Question 247

A good is said to be both normal and a necessity if the income elasticity of demand is greater than 1.0.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910511>

Question 248

The price of the product and marginal revenue are identical under conditions of perfect competition.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910634>

Question 249

The mercantilist philosophy argues that nations can become rich and powerful by exporting more than they import.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910873>

Question 250

The Capper-Volstead Act of 1922

- was the principal legislation exempting cooperatives from antitrust laws.
- plugged loopholes in the Sherman Antitrust Act of 1890.
- reinforced antitrust laws regarding livestock marketing.
- all of the above

Answer: <https://biology-forums.com/index.php?topic=1910663>

Question 251

Monetary economies like the United States rest on what is termed a _____ monetary system.

Answer: <https://biology-forums.com/index.php?topic=1910796>

Question 252

Which of the following combinations of goods is in line with a cross-price elasticity equal to zero?

- Kentucky fried chicken and Dove deodorant
- Pancakes and maple syrup
- Pepsi and Dr. Pepper
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910495>

Question 253

_____ : a branch of economics that focuses on the broad aggregates, such as the growth of gross domestic product, the money supply, the stability of prices, and the level of employment.

Answer: <https://biology-forums.com/index.php?topic=1910387>

Question 254

Which of the following statements best captures the intuitive reason behind discounting?

- Since incomes rise over time, discounting means that we place less weight on benefits and costs today and more weight on benefits in the future.
- Since dollars today can be invested, to obtain \$1 in the future we have to give up less than \$1 today. Hence future benefits and costs are given more weight than benefits and costs today.
- Since dollars today can be invested, yielding a positive return, discounting places more weight on future returns.
- Since investments yield a return, we have to give up less than \$1 today to obtain \$1 in future benefits. Hence we place less weight on future benefits and costs than we would on benefits and costs that dollars occur today.

Answer: <https://biology-forums.com/index.php?topic=1910691>

Question 255

Given the graph below, an increase in supply will cause the price to decline more if demand is _____.

Answer: <https://biology-forums.com/index.php?topic=1910735>

Question 256

Economic reasoning that is true for one individual but not for society as a whole is referred to as

- Specialization.
- Fallacy of composition.
- Generalization.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910367>

Question 257

The figure below presents the marginal revenue that a farmer can obtain from water, and the marginal cost to the farmer to move the water to her land. If there is only one farmer and 600 acre feet of water are available, the privately efficient quantity of water for the farmer would be _____ acre feet.

Answer: <https://biology-forums.com/index.php?topic=1910710>

Question 258

The marginal propensity to save is equal to

- One plus the marginal propensity to consume.
- The change in savings with respect to the change in change in consumption.
- One minus the marginal propensity to consume.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910747>

Question 259

The short run Phillips curve illustrates:

- The trade-off between the unemployment rate and the inflation rate.
- The increase in wage rates relative to the increase in the general price level.
- The unemployment rate relative to the civilian labor force.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910811>

Question 260

According to this diagram, the income elasticity of demand for salmon is

- Less than 0.5.
- Equal to 0.5.
- Greater than 0.5.
- Can't say; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910489>

Question 261

The goal of macroeconomic policy is to combat inflationary and recessionary gaps which exist in the nation's money market.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910791>

Question 262

Opportunity costs reflect the cost of a good as measured by the amount of a second good that must be given up in order to produce one additional unit of the first good.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910898>

Question 263

_____ : when one nation can produce goods more cheaply than another nation.

Answer: <https://biology-forums.com/index.php?topic=1910904>

Question 264

The current Chair of the Board of governors is Paul Volker.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910793>

Question 265

Contractionary fiscal policy actions will lead to a decline in farmland values and farm equity as net farm incomes decline.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910853>

Question 266

Which of the following activities could be prohibited by the Endangered Species Act?

- Draining water from a pond where an endangered plant lives.
- Building a fence that would impact the breeding ground of an endangered rodent.
- The hunting of a federally listed endangered bird.
- All of the above

Answer: <https://biology-forums.com/index.php?topic=1910693>

Question 267

The figure below represents the marginal cost of abatement for two firms. If a tax of \$4 per unit of pollution were placed on the firms, the total amount of pollution that the two firms would reduce would be

- 8 units.
- 9 units.
- 6 units.
- 7 units.

Answer: <https://biology-forums.com/index.php?topic=1910690>

Question 268

The short run Phillips curve illustrates the relationship between the rate of inflation and the unemployment rate.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910817>

Question 269

Changes in taste and preference refer to changes in

- Composition of the population.
- Attitudes toward nutrition and health.
- Attitudes toward food safety.
- All of these.

Answer: <https://biology-forums.com/index.php?topic=1910470>

Question 270

_____ : when aggregate demand for goods and services is rising and the economy is approach full employment output.

Answer: <https://biology-forums.com/index.php?topic=1910830>

Question 271

Recently, the price of gasoline dropped to just under \$3.50/gallon. Economic analysts currently are focusing on questions concerning the likely impacts of this price decrease on the demand for gasoline. The branch of economics that deals with these questions is

- Normative economics.
- Positive economics.
- Microeconomics.
- Macroeconomics.

Answer: <https://biology-forums.com/index.php?topic=1910377>

Question 272

The U.S. economy represents what kind on econometric system?

- Capitalistic
- Socialistic
- Communistic
- Mixed

Answer: <https://biology-forums.com/index.php?topic=1910368>

Question 273

A market surplus occurs in a market when the quantity supplied at a given price is greater than the quantity demanded.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910641>

Question 274

The graph below presents a standard negative externality, where each unit of production creates external costs of Ex. At the market equilibrium quantity of _____, the total external cost would be equal to the areas _____.

Answer: <https://biology-forums.com/index.php?topic=1910705>

Question 275

The foreign exchange rate affects agriculture because

- A weaker dollar makes depresses the export demand for U.S farm commodities.
- A weaker dollar makes imports of inputs used by U.S. farmers.
- A stronger dollar enhances the export demand for U.S. farm commodities.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910838>

Question 276

Assume that for Jim Swain, a corn producer from Illinois, the only source of farm income is from the production of corn. Swain produced 150,000 bushels of corn in 2012, receiving \$5 per bushel. Assuming this producer had production expenses of \$300,000, and assuming the Consumer Price Index (CPI) for 2012 was 2.50, what was his real farm income for 2012?

- \$200,000
- \$750,000
- \$450,000
- \$180,000

Answer: <https://biology-forums.com/index.php?topic=1910396>

Question 277

Farmers historically have organized agricultural bargaining groups called

- partnerships.
- unions.
- cooperatives.
- cartels.

Answer: <https://biology-forums.com/index.php?topic=1910664>

Question 278

An outward shift in the demand curve in a perfectly competitive market will result in an increase in supply and make the demand curve more inelastic.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910668>

Question 279

_____ : a provision of the Trade Act of 1974 and its counterpart in the Trade and Competitiveness Act of 1988 that was designed to provide presidential authority to impose duties on products from nations whose trade practices were deemed "unfair" or that restrict U.S. commerce.

Answer: <https://biology-forums.com/index.php?topic=1910919>

Question 280

Question 1. _____ : specific form of current production costs that do not vary with the level of output or input use.

Question 2. _____ : the change in total cost of production as the output or total product of the business is expanded.

Answer: <https://biology-forums.com/index.php?topic=1910617>

Question 281

_____ : the consumption bundle that maximizes total utility and is feasible as defined by the budget constraint.

Answer: <https://biology-forums.com/index.php?topic=1910478>

Question 282

_____ : a measure of the response of consumption of a good or service to changes in the price of another good or service.

Answer: <https://biology-forums.com/index.php?topic=1910513>

Question 283

_____ : marginal utility declines as more of a good or service is consumed during a specified period of time.

Answer: <https://biology-forums.com/index.php?topic=1910528>

Question 284

The break-even level of output occurs for a business when

- Average revenue equals average variable cost.
- Average revenue equals marginal revenue.
- Marginal cost equals marginal revenue.
- Marginal revenue equals average total cost.

Answer: <https://biology-forums.com/index.php?topic=1910624>

Question 285

Given the graph below, please fill in the following blanks:

a. The graph illustrates the use of _____. b. The quantity producers would have supplied at higher price is _____. c. Consumers would be _____ economically under this form of government intervention by _____.

d. Producers are _____, by areas 3 + 4 + 5 _____.

Answer: <https://biology-forums.com/index.php?topic=1910685>

Question 286

The mercantilist philosophy argues that nations can become rich and powerful by exporting more than they import.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910896>

Question 287

In many years, off-farm income at the national level is _____ than net farm income.

Answer: <https://biology-forums.com/index.php?topic=1910859>

Question 288

_____ : social costs of imperfect competition.

Answer: <https://biology-forums.com/index.php?topic=1910679>

Question 289

The marginal rate of product transformation represents the slope of the production possibilities frontier.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910635>

Question 290

Business cycles reflect periods of recession and contraction.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910814>

Question 291

Given the equation $C = \$1,500 + .70(\$3,000)$,

- Marginal propensity to save is .30.
- Consumption is equal to \$3,600.
- Autonomous consumption is \$1,500.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910753>

Question 292

Using the graph below, an increase in U.S. interest rates will _____ the demand for U.S. dollars.

Answer: <https://biology-forums.com/index.php?topic=1910885>

Question 293

Firm's under conditions of perfect competition will

- Will face barriers to entry.
- Have no disproportionate influence on price.
- Will face a few other competitors in the market.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910631>

Question 294

The level of government payments _____ as prices fell and costs _____ in the 1980s, and _____ dramatically as prices rose in the 2000s.

Answer: <https://biology-forums.com/index.php?topic=1910743>

Question 295

Given the cobweb adjustment to price and quantity in the market below, which of the following statements is most correct?

- The price in 2013 would fall to \$30.
- The producer's decision in 2013 is to supply 100 units of output.
- The price in 2013 would fall to \$85.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910623>

Question 296

Contractionary fiscal policy actions

- Would increase farmers' total assets.
- Would decrease farmers' fixed liabilities.
- Would increase farmers' operating expenses.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910842>

Question 297

Using the graph below, if the exchange rate for Poland zlotych is 0.\$33/per zlotych, the quantity of dollars traded daily is _____.

Answer: <https://biology-forums.com/index.php?topic=1910884>

Question 298

Using the graph below, if firms pay the costs of abatement but suffer none of the damages from pollution, they level of pollution that they would voluntarily choose to abate is _____.

Answer: <https://biology-forums.com/index.php?topic=1910703>

Question 299

The graph below presents a standard negative externality, where each unit of production creates external costs of Ex. By moving from the market equilibrium to the socially optimal quantity of _____, the net benefits to society would be equal to the area _____.

Answer: <https://biology-forums.com/index.php?topic=1910706>

Question 300

_____ : a market structure that has only one firm buying from sellers.

Answer: <https://biology-forums.com/index.php?topic=1910680>

Question 301

The figure below presents the marginal revenue that a farmer can obtain from water, and the marginal cost to the farmer to move the water to her land. There are two farmers with the same marginal revenue and marginal cost curves and there are 200 acre feet available to the two farmers. If the rights to use the water are sold in a competitive market, the equilibrium price of a right to use one acre foot would be _____.

Answer: <https://biology-forums.com/index.php?topic=1910712>

Question 302

_____ : a decline in the value of the U.S. dollar relative to other currencies so that the dollar buys less foreign currency than before.

Answer: <https://biology-forums.com/index.php?topic=1910875>

Question 303

The budget line does not depend on

- Income.
- The prices of the goods in question.
- The preferences for the respective goods.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910443>

Question 304

_____ : a measure of the relative response of demand to income changes.

Answer: <https://biology-forums.com/index.php?topic=1910515>

Question 305

_____ : expenditures by consumers for food, nonfood, nondurable goods, durable goods and services.

Answer: <https://biology-forums.com/index.php?topic=1910764>

Question 306

The farm sector is one of the most highly capitalized sectors per worker in the U.S. economy.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910728>

Question 307

Which of the following statements is correct?

- Demand pull inflation is caused by an increase in demand and an increase in the quantity supplied.

- Demand pull inflation is caused by an increase in demand and an increase in supply.
- Cost push inflation is the result of rising input costs pushing the aggregate demand curve to the left.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910813>

Question 308

The national debt

- Grew substantially during the 2007-2009 recession.
- The year-end national debt is equal to the debt at the beginning of the year plus the deficit..
- Is equal to total public and private debt.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910780>

Question 309

_____ : the rate of exchange of pairs of consumption goods or services to leave utility or satisfaction unchanged.

Answer: <https://biology-forums.com/index.php?topic=1910527>

Question 310

The retail value of a gallon of milk (fat free) is \$4.19. Dairy farmers receive roughly \$1.64 for this gallon of milk. What is the dairy farmer's share of the retail food dollar?

- 34%
- 39%
- 42%
- 33%

Answer: <https://biology-forums.com/index.php?topic=1910402>

Question 311

The U.S food and fiber system is one of the least regulated industries in the economy.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910671>

Question 312

The US International Trade Commission is an independent agency of the U.S. government that investigates alleged violations of U.S. trade law.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910911>

Question 313

Forms of historical government intervention in agriculture includes

- Adjusting production to market demand.
- Foreign trade enhancements.
- Price and income support payments.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910722>

Question 314

_____ : the level of output per unit of input.

Answer: <https://biology-forums.com/index.php?topic=1910430>

Question 315

Suppose that a successful advertising and promotion campaign occurs for apples. Given this successful campaign, it is likely that:

- The quantity of apples sold will fall and the price of apples will rise.
- The quantity of apples sold will rise and the price of apples will rise.
- The quantity of apples sold will fall and the price of apples will fall.
- The quantity of apples sold will rise and the price of apples will fall.

Answer: <https://biology-forums.com/index.php?topic=1910472>

Question 316

Which of the following statement(s) is (are) false?

- The concept of elasticity of demand was originated by Alfred Marshall.
- Economists do not actually need to measure the level of satisfaction to discern preferences for alternative combinations of goods.
- If the change in total utility for apples is 50 utils and the change in consumption of apples is 5 units, then marginal utility is 10.
- None of these (that is, all statements are true).

Answer: <https://biology-forums.com/index.php?topic=1910504>

Question 317

The Federal Reserve System is comprised of the Board of Governors in Washington, D.C. and ten district banks located throughout the country.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910792>

Question 318

_____ : the monetary value of a nation's merchandise exports minus the value of merchandise imports for a given period of time.

Answer: <https://biology-forums.com/index.php?topic=1910874>

Question 319

_____ : the change in saving with respect to a change in disposable income.

Answer: <https://biology-forums.com/index.php?topic=1910766>

Question 320

A decrease in the fractional reserve requirement ratio will

- Will decrease the money multiplier.
- Alter the slope of the money supply curve.
- Shift the money supply curve to the left.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910779>

Question 321

Which of the following is not characteristic of imperfect competition?

- homogeneous products
- barriers to entry
- few buyers and sellers
- Both A and C

Answer: <https://biology-forums.com/index.php?topic=1910659>

Question 322

The major component of all activities once a crop, livestock, or fiber product leaves the farm gate is

- packaging and transportation.
- labor.
- advertising.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910417>

Question 323

The debt-to-asset ratio for the farm sector is in the order of 20 percent.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910427>

Question 324

Given the graph below, the total demand curve suggests that an absence of export demand would increase domestic consumer surplus.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910732>

Question 325

For a representative consumer, 8 tacos and 2 hamburgers generate the same utility as 4 tacos and 4 hamburgers. How many tacos must the

consumer give up in order to get one more hamburger?

- 2
- 4
- 6
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910521>

Question 326

The equilibrium interest rate in the money market will increase if the Federal Reserve implements a _____ policy action.

Answer: <https://biology-forums.com/index.php?topic=1910800>

Question 327

The "Big Five" macroeconomic variables with respect to agriculture

- Include the rate of foreign exchange, the rate of interest, the unemployment rate, the rate of inflation, and the rate of growth in GDP.
- Represent key linkages between sectors in the food and fiber industry.
- Include the rate of interest, the unemployment rate, the rate of inflation, the rate of growth in GDP and the producer price index.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910836>

Question 328

The stage of production where the total physical product curve begins to decline corresponds to

- $APP < 0$.
- $MPP < 0$.
- Stage 3.
- Both $MPP < 0$ and Stage 3

Answer: <https://biology-forums.com/index.php?topic=1910614>

Question 329

The U.S. economy represents a purely capitalistic system.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910381>

Question 330

A 25% import tariff on imported cheese is referred to as

- Specific.
- Combination.
- Ad valorem.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910909>

Question 331

An equilibrium in both the nation's money market and product market is referred to as a _____ equilibrium.

Answer: <https://biology-forums.com/index.php?topic=1910801>

Question 332

Recently, salmonella outbreaks occurred due to the contamination of the processing of peanuts. Given this information, it is likely that:

- The price of peanut products would fall and the quantity of peanut products produced would fall.
- The price of peanut products would fall and the quantity of peanut products produced would rise.
- The price of peanut products would rise and the quantity of peanut products produced would rise.
- The price of peanut products would rise and the quantity of peanut products produced would fall.

Answer: <https://biology-forums.com/index.php?topic=1910466>

Question 333

_____ : decrease (increase) in price of a product means the consumer can afford to buy more (less) of the product.

Answer: <https://biology-forums.com/index.php?topic=1910530>

Question 334

The economic analysis of imperfect competition was originated by

- Edward Chamberlain.
- Joan Robinson.
- Both A and B
- none of the above

Answer: <https://biology-forums.com/index.php?topic=1910655>

Question 335

Comparative advantage is a monetary concept and is affected by changes in exchange rates or inflation.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910872>

Question 336

Which of the following is the most complete form of economic integration?

- Free trade area
- Common market
- Economic union
- Customs union

Answer: <https://biology-forums.com/index.php?topic=1910905>

Question 337

Consider the diagram below. At point C, which of the following statement(s) is (are) true?

- The optimal purchase for this consumer is 8 glasses of Kool-Aid and 6 glasses of tea.
- The marginal rate of substitution is $-3/4$.
- =
- All of these

Answer: <https://biology-forums.com/index.php?topic=1910451>

Question 338

The prior appropriation doctrine is a system in which individuals have rights to specific quantities of water and these right can be sold to others.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910700>

Question 339

The money supply curve will shift to the left if the Federal Reserve buys government securities from commercial banks.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910786>

Question 340

The food and fiber industry today accounts for roughly what percent of GDP in the United States?

- 4 to 7 percent
- 8 to 11 percent
- 12 to 15 percent
- 16 to 20 percent

Answer: <https://biology-forums.com/index.php?topic=1910404>

Question 341

Suppose that a retailer sells 500 six-packs of Dr. Pepper per day at \$3.50/six-pack. Also, suppose that the cross-price elasticity between Dr. Pepper and Pepsi is 0.6. Then Dr. Pepper and Pepsi are _____ goods.

Answer: <https://biology-forums.com/index.php?topic=1910517>

Question 342

In an oligopoly

- the market demand curve is kinked.
- firms will match all price decreases of another but will not match price increases.
- firms will attempt to differentiate their products.
- all of the above

Answer: <https://biology-forums.com/index.php?topic=1910657>

Question 343

Pizza is a _____ good.

Answer: <https://biology-forums.com/index.php?topic=1910516>

Question 344

Nominal net farm income _____ dramatically during the 2007-2009 great recession.

Answer: <https://biology-forums.com/index.php?topic=1910857>

Question 345

_____ : shift in the demand curve caused generally by changes in the prices of complements or substitutes, income, and tastes and preferences.

Answer: <https://biology-forums.com/index.php?topic=1910533>

Question 346

What branch of economics is concerned with the activities of U.S. agricultural producers?

- Normative economics
- Positive economics
- Microeconomics
- Macroeconomics

Answer: <https://biology-forums.com/index.php?topic=1910374>

Question 347

Given the graph below, please fill in the following blanks:

a. The graph illustrates the concept of _____. b. The total revenue is equal to area _____ if the market price is \$4. c. Total cost is equal to area _____ below supply _____ at this price. d. Producers are economically _____ by area _____ if the market price increases to \$6.

Answer: <https://biology-forums.com/index.php?topic=1910684>

Question 348

Which of the graphs is consistent with the economic impacts of a food recall or food safety scare (e.g. salmonella in contaminated poultry or E. coli in contaminated beef)?

-
-
-
-

Answer: <https://biology-forums.com/index.php?topic=1910450>

Question 349

The Packers and Stockyards Act of 1921

- reinforced antitrust laws regarding livestock marketing.
- established the Packers and Stockyards Administration, still exists today.
- was the principal legislation exempting cooperatives from antitrust laws.
- Both A and C

Answer: <https://biology-forums.com/index.php?topic=1910660>

Question 350

_____ : the amount by which the quantity supplied exceeds the quantity demanded at a particular market price.

Answer: <https://biology-forums.com/index.php?topic=1910650>

Question 351

Expansionary monetary policy actions will result in an increase in net farm income as the demand for farm commodities increase.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910850>

Question 352

Thomas Malthus argued that

- Population growth would exceed the growth in the food supply.
- Population grows at an arithmetic rate.
- Production grows at a geometric rate.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910718>

Question 353

The Clean Water Act, originally passed in 1972, was successful in achieving its stated goal of eliminating the release of "toxics in toxic amounts" by 1985.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910694>

Question 354

Partial equilibrium refers to the equilibrium level of GDP in the economy.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910758>

Question 355

Aggregate demand in the economy is equal to

- Consumption, investment and government spending.
- Full employment output.
- Consumption, investment and net exports.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910749>

Question 356

The U.S. economy represents a mixture of capitalism and socialism.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910380>

Question 357

The income elasticity of demand for raw agricultural products is _____ than the income elasticity of demand for non-food products.

Answer: <https://biology-forums.com/index.php?topic=1910858>

Question 358

_____ : the general price level is rising even though the economy is nowhere near full employment output.

Answer: <https://biology-forums.com/index.php?topic=1910831>

Question 359

The output produced in bushels and the prices of this output (\$/bushel) over the last three years for Seth Johnson, a farmer in Amarillo, Texas, are as follows:

Year	Output (bushels)	Price (\$/bushel)
------	------------------	-------------------

2010	70,000	\$3.20
------	--------	--------

2011
75,000
\$2.90

2012
80,000
\$3.50

Let the base year be 2011. Relative to 2011, output for 2010 was lower by _____ percent.

- 6.25
- 6.67
- 7.14
- 13.3

Answer: <https://biology-forums.com/index.php?topic=1910398>

Question 360

An increase in supply will increase the quantity demanded.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910638>

Question 361

_____ : the process of purchasing commodities in one market at a low price and rapidly selling them in another market at a higher price.

Answer: <https://biology-forums.com/index.php?topic=1910921>

Question 362

The market supply curve can be found by

- Adding the quantities the firms could supply at a break-even price.
- Adding the supply response for all firms for a given set of prices.
- Looking at the quantity supplied in the previous period.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910626>

Question 363

Expansionary domestic fiscal policy

- Decreases exchange rates.
- Increases exports.
- Increases interest rates.
- Decreases imports.

Answer: <https://biology-forums.com/index.php?topic=1910864>

Question 364

_____ : personal income after the payment of tax obligations.

Answer: <https://biology-forums.com/index.php?topic=1910481>

Question 365

The value of any index for the reference or base year is always 1.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910422>

Question 366

A federal budget deficit _____ the change in government bonds issued by the U.S. Treasury and _____ the national debt.

Answer: <https://biology-forums.com/index.php?topic=1910860>

Question 367

The consumer price index or CPI includes

- The cost of a standard market basket bought by consumers in the current year relative to a base period.
- The cost of a standard market basket bought by producers in the current year.
- The cost of a standard market basket bought by producers in the current year relative to a base period.
- The cost of a standard market basket bought by consumers in the current year.

Answer: <https://biology-forums.com/index.php?topic=1910809>

Question 368

Suppose your nominal income in 1990 was \$24,000. Suppose too that the consumer price index for 2012 was 1.5, and the base year for this index was 1990. How much nominal income would you need in 2012 in order to match the spending power of your \$24,000 in 1990?

- \$16,000
- \$24,000
- \$36,000
- \$48,000

Answer: <https://biology-forums.com/index.php?topic=1910414>

Question 369

The firm's supply curve in the short run is given by

- The segment of the marginal cost curve above average variable cost.
- The segment of the marginal cost curve above the break-even price.
- The segment of the marginal cost curve above average total cost.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910625>

Question 370

Total economic surplus is represented by

- The area above the supply curve and below the market equilibrium price.
- The area below the demand curve and above the supply curve.
- The area below the demand curve and above the market equilibrium price.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910629>

Question 371

_____ : an artificial currency accounting entities to supplement reserve assets of the International Monetary Fund.

Answer: <https://biology-forums.com/index.php?topic=1910879>

Question 372

When a country's quantity supplied exceeds its quantity demanded for any given price, then this indicates the country has

- Import demand.
- Excess demand.
- Excess supply.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910906>

Question 373

Increasing the discount makes it more expensive for commercial banks to borrow reserves at a Federal Reserve District Bank discount window.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910785>

Question 374

Assume that a retailer sells 800 six packs of Dr. Pepper per day at a price of \$3.00/six-pack. You, as an economic analyst, estimate that the cross-price elasticity between Dr. Pepper and Coca-Cola is 0.6. If the retailer raises the price of Coca-Cola by 10%, how would the sales of Dr. Pepper be affected, ceteris paribus?

- Sales of Dr. Pepper would rise by 10%
- Sales of Dr. Pepper would fall by 48 six-packs
- Sales of Dr. Pepper would rise by 48 six-packs

- None of these

Answer: <https://biology-forums.com/index.php?topic=1910493>

Question 375

In a recent article in USA Today, the price of gasoline rose over the past year from \$3.50 to \$4.00, a price hike of about 14.29 percent. Gasoline consumption over the past year declined by 10 percent. So, on the basis of this article, we can conclude that

- The own-price elasticity for gasoline is -1.
- The own-price elasticity for gasoline is nearly -0.70
- The own-price elasticity for gasoline is roughly -1.43.
- Can't tell; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910501>

Question 376

Which of the following statements is (are) true?

- The marginal rate of substitution is always negative.
- Indifference curves never intersect.
- When total utility reaches a maximum, marginal utility is zero.
- All of these.

Answer: <https://biology-forums.com/index.php?topic=1910442>

Question 377

Consider the diagram below. At point C, which of the following statement(s) is (are) true?

When market price is \$5 per pound, the consumer surplus is

- \$20.
- \$125.
- \$250.
- \$40.

Answer: <https://biology-forums.com/index.php?topic=1910455>

Question 378

The social costs of imperfect competition are known as

- consumer surplus.
- producer surplus.
- dead-weight loss.
- none of the above.

Answer: <https://biology-forums.com/index.php?topic=1910665>

Question 379

Cost push inflation occurs when prices are rising throughout the economy even though the economy is nowhere near full employment output.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910822>

Question 380

Assume that for a given consumer, the marginal utility of wine is 100 and the price of wine is \$60. Also, assume that the marginal utility of lobster is 200 and the price of lobster is \$100. This consumer

- is in equilibrium.
- should buy more wine.
- should buy more lobster.
- can't tell; insufficient information given to answer the question

Answer: <https://biology-forums.com/index.php?topic=1910468>

Question 381

The Federal Reserve can combat an inflationary gap in the economy by buying government securities in the nation's capital markets.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910789>

Question 382

_____ : a measure of the economic rent or returns above costs accruing to businesses participating in a market during the current period.

Answer: <https://biology-forums.com/index.php?topic=1910682>

Question 383

The marginal utility associated with drinking coffee is

Total Utility
Cups of Coffee

18
4

38
6

- 2.
- 5.
- 10.
- Can't tell; insufficient information.

Answer: <https://biology-forums.com/index.php?topic=1910444>

Question 384

_____ : the change in investment with respect to the change in interest rates.

Answer: <https://biology-forums.com/index.php?topic=1910767>

Question 385

_____ : the condition where aggregate demand is equal aggregate supply.

Answer: <https://biology-forums.com/index.php?topic=1910771>

Question 386

The four major forms of economic integration include

- Free trade area.
- Economic union.
- Customs union.
- Common market.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910888>

Question 387

Which of the following statements is a correct summary of the relationship between the agricultural sector and air pollution?

- Agriculture is a leading cause of many air pollutants, but is not affected by air pollution problems.
- Agriculture has no direct effect on air pollution, but is affected by air pollution problems.
- Agriculture is neither a source of any air pollutants, nor is it directly affected by air pollution problems
- Agriculture is a cause of some air pollutants, but is also affected by some air pollution problems.

Answer: <https://biology-forums.com/index.php?topic=1910686>

Question 388

Which form of imperfect competition is associated with the airline industry?

- monopoly
- monopolistic competition
- oligopoly
- none of the above

Answer: <https://biology-forums.com/index.php?topic=1910653>

Question 389

If groundwater resources are regulated by the "rule of capture," whoever can pump up the water can take as much as they desire. This approach leads to an economically inefficient use of groundwater.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910701>

Question 390

Data for Wilson's Lamb Slaughtering Plant are given below:

Year
Pounds of Lamb Slaughtered

1998
100,000

1999
75,000

2000
110,000

Let the base year be 1.0 in 1998. What is the output index for 1999?

- 0.75
- 1.10
- 1.33
- 75

Answer: <https://biology-forums.com/index.php?topic=1910407>

Question 391

_____ : a government tax imposed on goods or products entering a country.

Answer: <https://biology-forums.com/index.php?topic=1910916>

Question 392

Real GDP is equal to nominal GDP adjusted for productivity.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910755>

Question 393

What branch of economics is concerned with the effects of nutrition labeling on the dietary quality of consumers (i.e., what-if types of questions)?

Answer: <https://biology-forums.com/index.php?topic=1910392>

Question 394

If personal income is equal to \$3,000 and consumers spend \$3,600, the level of savings in the economy would \$600.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910762>

Question 395

The value of any index for the base period is

- -1.
- 1.
- 0.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910415>

Question 396

Which of the following is (are) part of the agribusiness (food and fiber) sector?

- Wholesalers, retailers, and food service purveyors
- Farm input suppliers
- Processors and manufacturers
- All of these

Answer: <https://biology-forums.com/index.php?topic=1910416>

Question 397

In recent times, the price of oil has risen dramatically. Economic analysts currently are focusing on questions concerning the likely impacts of this price increase on the U.S. economy. The branch of economics that deals with this situation (i.e., what will be questions) is called _____ economics.

Answer: <https://biology-forums.com/index.php?topic=1910389>

Question 398

Which of the following terms best describes the idea that a nation's trade policy is restrictive, limiting the amount of imports from other countries?

- Mercantilism
- Nationalism
- Protectionism
- None of the above

Answer: <https://biology-forums.com/index.php?topic=1910907>

Question 399

The greenhouse effect refers to the physical phenomenon in which certain gases accumulate in the atmosphere and tend to warm the planet because they reflect solar radiation back to the planet. Since CO₂ concentrations have increased from 250 parts per million in 1900 to almost 405 by 2016, the greenhouse effect has increased.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910696>

Question 400

Stagflation refers to when the general economy is experiencing a falling unemployment rate and a rising inflation rate.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910818>

Question 401

Phytosanitary regulations apply to which of the following?

- Plants
- Eggs
- Meats
- All of the above

Answer: <https://biology-forums.com/index.php?topic=1910908>

Question 402

A farmer is considering adopting a soil conservation practice that will raise his profits next year and every year after for a total of 5 years by \$100. He has the alternative of putting his money in the bank, which would pay %5 per year. The maximum amount that the farmer would be willing to pay immediately for the practice is \$_____.

Answer: <https://biology-forums.com/index.php?topic=1910709>

Question 403

When firms cannot alter the price they face in the market, they are said to be price takers.

- true

- false

Answer: <https://biology-forums.com/index.php?topic=1910667>

Question 404

Open market operations by the Federal Reserve System include

- Purchasing government securities from banks and other depository institutions.
- Selling bonds to banks to expand their lending capacity.
- Buying or selling of government bonds by the BMO.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910777>

Question 405

We expect the sign of the cross-price elasticity between pancakes and maple syrup to be negative.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910512>

Question 406

_____ : the situation where equilibrium GDP is greater than full employment output.

Answer: <https://biology-forums.com/index.php?topic=1910769>

Question 407

Given the following graph depicting both domestic and total demand, consumers are better off economically if there is a strong export demand for the commodity.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910726>

Question 408

The consumer price index or CPI is given by the cost of a standard market basket of goods and services in the current period relative to the GDP implicit price deflator.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910820>

Question 409

Given the graph below, the economy is experiencing a _____ gap equal to the difference between _____.

Answer: <https://biology-forums.com/index.php?topic=1910795>

Question 410

_____ : as disposable income of a consumer increases, the percentage of income spent for food decreases if all other things remain constant.

Answer: <https://biology-forums.com/index.php?topic=1910532>

Question 411

As a consumer's income rises, the proportion of income spent on food falls. This assertion is known as

- Law of Demand.
- Engel's Law.
- Law of Diminishing Marginal Utility.
- None of these

Answer: <https://biology-forums.com/index.php?topic=1910467>

Question 412

Which of the following statements is correct?

- Demand and supply policies move output and the general price level in the same direction.
- Demand expansion policies lead to increases in output and decrease in the general price level.
- Supply expansion policies lead to increases in output and decrease in the general price level.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910812>

Question 413

Given the graph below, what is the level of producer surplus at a price of \$5?

- \$15
- \$8.50
- \$12.50
- \$18

Answer: <https://biology-forums.com/index.php?topic=1910632>

Question 414

The demand curve for a product shifts below. Which of the following statement(s) is (are) a plausible explanation(s) for this situation?

- The price of a competing product decreased.
- A successful television advertising campaign was launched by the manufacturer of the product.
- Assuming the commodity in question is a normal good, income available to the customer increased.
- Both A successful television advertising campaign was launched by the manufacturer of the product and Assuming the commodity in question is a normal good, income available to the customer increased

Answer: <https://biology-forums.com/index.php?topic=1910474>

Question 415

_____ : an amount of money equal to support price time the quantity offered as collateral lent by the Commodity Credit Corporation.

Answer: <https://biology-forums.com/index.php?topic=1910737>

Question 416

Suppose the Engel curve for a particular commodity is given by:

What is the income elasticity for this particular product?

- 0.333
- 0.5
- 1.77
- 0.364

Answer: <https://biology-forums.com/index.php?topic=1910487>

Question 417

Expansionary fiscal policy actions include

- Increased defense spending.
- Increase government spending.
- Cutting income taxes.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910783>

Question 418

_____ : the slope of the aggregate consumption function.

Answer: <https://biology-forums.com/index.php?topic=1910772>

Question 419

The annual rate of inflation based on the CPI is calculated by the ratio of the change in the CPI in the current period to the cost of the same basket of goods and services in a base period.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910821>

Question 420

The share of the food dollar for food eaten at home is slightly more than 50%.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910425>

Question 421

Expansionary monetary policy actions

- Would increase the derived demand for farm input supply firms.

- Would decrease the derived demand for farm input supply firms.
- Would decrease the demand for agricultural loans.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910843>

Question 422

According to the graph below, which of the following statement(s) is (are) true? (Note: D0 is the original relationship and D1 is the new relationship)

- New medical research indicated that eating macaroni and cheese leads to a degenerate nervous disorder.
- Assuming macaroni and cheese is an inferior good, income available to the consumer rose.
- There is a change in demand for macaroni and cheese.
- All of these

Answer: <https://biology-forums.com/index.php?topic=1910452>

Question 423

The following countries as a group represent the most important markets for U.S. agricultural exports:

- Former Soviet Union members
- Developing countries
- Developed countries
- Centrally planned countries

Answer: <https://biology-forums.com/index.php?topic=1910867>

Question 424

The portion of food and expenditures associated with activities of firms beyond the farm gate is known as

- consumer surplus.
- the marketing bill.
- value added.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910418>

Question 425

The Federal Reserve can act to reduce a recessionary gap in the nation's product market by lowering income tax rates.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910788>

Question 426

U.S. farms tend to be diversified rather than specialized.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910423>

Question 427

_____ : the number of unemployed persons divided by the total civilian labor force.

Answer: <https://biology-forums.com/index.php?topic=1910828>

Question 428

Which of the following statement(s) is (are) false?

- The slope of any budget line is negative and related to the ratio of the prices of the goods.
- The slope of any linear demand curve is the own-price elasticity.
- The slope of any indifference curve is the MRS.
- None of these (that is, all statements are true).

Answer: <https://biology-forums.com/index.php?topic=1910506>

Question 429

The movement of point A to point B (or vice versa) represents

- a change in demand.
- a change in quantity demanded.
- the law of demand.
- both a change in quantity demanded and the law of demand

Answer: <https://biology-forums.com/index.php?topic=1910457>

Question 430

Consider the diagram below. At point C, which of the following statement(s) is (are) true?

The American Medical Association reported that the consumption of green peas would lower the likelihood of breast cancer. Which of the following diagrams best illustrates the impact of this medical announcement? (Note: D0 is the original relationship and D1 is the new relationship.)

-
-
-
-

Answer: <https://biology-forums.com/index.php?topic=1910453>

Question 431

While nominal net farm has increased dramatically over the last several decades, real net farm income has remained relatively constant.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910845>

Question 432

_____ : substitution of a product for another because the price of the former has declined or increased.

Answer: <https://biology-forums.com/index.php?topic=1910482>

Question 433

Suppose that the own-price elasticity for Ragu spaghetti sauce is -1.25. Which of the following is (are) true?

- A 4% increase in price leads to a 5% decrease in quantity demanded.
- A 10% decrease in price leads to an 8% increase in quantity demanded.
- The demand for Ragu spaghetti sauce is unitary elastic.
- None of these.

Answer: <https://biology-forums.com/index.php?topic=1910503>

Question 434

Given the indifference curves in this graph, which combination of wings and hamburgers yields the highest level of satisfaction?

- 7 wings, 1 hamburger
- 5 wings, 5 hamburgers
- 7 wings, 4 hamburgers
- 2 wings, 7 hamburgers

Answer: <https://biology-forums.com/index.php?topic=1910438>

Question 435

The output produced in bushels and the prices of this output (\$/bushel) over the last three years for Seth Johnson, a farmer in Amarillo, Texas, are as follows:

Year
Output (bushels)
Price (\$/bushel)

2010
70,000
\$3.20

2011
75,000

\$2.90

2012
80,000
\$3.50

Let the base year be 2011. Relative to 2011, the price of this commodity in 2012 was higher by _____ percent.

- 20.69
- 9.38
- 82.86
- 12.9

Answer: <https://biology-forums.com/index.php?topic=1910401>

Question 436

The production possibilities frontier represents the technically efficient combination of two products a business can produce in the current period given its existing resources and technology.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910633>

Question 437

When the market price increases to \$8 per pound, which of the following statements is true?

- Consumers are better off by \$105.
- Consumers are worse off by \$105.
- Consumers are better off by \$20.
- Consumers are worse off by \$20.

Answer: <https://biology-forums.com/index.php?topic=1910456>

Question 438

The phases of a business cycle in order include

- Peak, recession, trough and expansion.
- Peak, recession, expansion and trough.
- Peak, expansion, recession and trough.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910804>

Question 439

The capitalized value of a constant stream of \$20 per year given an interest rate of 4% per year is \$800.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910699>

Question 440

A reduction in the Federal Reserve fractional reserve requirement ratio is a _____ monetary policy action.

Answer: <https://biology-forums.com/index.php?topic=1910799>

Question 441

A bumper corn crop will increase both producer and consumer surplus.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910639>

Question 442

Given the graph below, the economy is currently in the _____ range of the aggregate supply curve.

Answer: <https://biology-forums.com/index.php?topic=1910794>

Question 443

The major component of the marketing bill for food is _____.

Answer: <https://biology-forums.com/index.php?topic=1910434>

Question 444

A recessionary gap occurs in the economy when

- Aggregate demand is less than full employment output.
- Aggregate demand is in the depression or Keynesian range of the aggregate supply curve.
- Aggregate demand is less than potential GDP.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910750>

Question 445

List three distinct types of resources.

Answer: <https://biology-forums.com/index.php?topic=1910383>

Question 446

A barter economy occurs where

- Businesses provide services to households in exchange for goods and services.
- Excludes financial markets.
- Households pay for services provided by labor with goods and services.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910752>

Question 447

_____ : the curve which depicts the relationship between Aggregate expenditures and aggregate output.

Answer: <https://biology-forums.com/index.php?topic=1910773>

Question 448

Opportunity cost theory suggests that a nation has

- No advantage in the production of any good with an opportunity cost.
- A comparative advantage in the good with the lower opportunity cost.
- An absolute advantage in the production of the good with the lowest opportunity cost.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910895>

Question 449

_____ : the schedule that shows how many units of a good that the consumer will purchase at different income levels, all other factors constant.

Answer: <https://biology-forums.com/index.php?topic=1910479>

Question 450

The rate of inflation can be defined as

- The percent change in the general price level.
- The sustained percent change increase in the general price level.
- The percentage increase in the price of corn.
- The change in the general price level.

Answer: <https://biology-forums.com/index.php?topic=1910807>

Question 451

As the U.S. dollar appreciates in value, the price of goods in foreign currency increases resulting in

- Loss of market share.
- The demand for U.S. goods to decline.
- The decline in prices.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910865>

Question 452

Question 1. _____: as successive units of a variable input are added to a production process with the other inputs held constant, the marginal physical product eventually decreases.

Question 2. Given the graph below, the firm's supply curve is represented by that portion of its _____ that lays _____.

Answer: <https://biology-forums.com/index.php?topic=1910615>

Question 453

If the own-price elasticity of demand is -1.25, in order for the manufacturer of Ragu to increase total revenue, at least in the short run, it would be advisable to

- Do nothing.
- Raise the price of Ragu.
- Lower the price of Ragu.
- Can't tell; insufficient information

Answer: <https://biology-forums.com/index.php?topic=1910502>

Question 454

The branch of economics that deals with the gross domestic product (GDP), interest rates, and the unemployment rate is _____ economics.

Answer: <https://biology-forums.com/index.php?topic=1910391>

Question 455

The rate of interest affects agriculture because

- A high interest rate suggests a stronger dollar which depresses farm export demand.
- A high interest rate reduced the capitalized value of farmland.
- A low interest rate lowers farm expenses.
- All of the above.

Answer: <https://biology-forums.com/index.php?topic=1910840>

Question 456

Given the graph below, if the price of hamburgers is \$1.25, what is the size of the budget represented by the budget constraint BA is _____.

Answer: <https://biology-forums.com/index.php?topic=1910537>

Question 457

A tariff-rate quota limits the quantity of a good imported just like an import quota.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910910>

Question 458

While nominal farmland values have increased dramatically over the last several decades, real farmland values have remained relatively flat.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910846>

Question 459

Mr. Valentine wishes to buy steak and pork. Mr. Valentine has a budget of \$20.

At point A, the consumer is said to be in _____.

Answer: <https://biology-forums.com/index.php?topic=1910484>

Question 460

_____ : the absence of direct or indirect government intervention to alter market prices and quantities.

Answer: <https://biology-forums.com/index.php?topic=1910917>

Question 461

The commodity in the diagram below would be considered a luxury.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910510>

Question 462

Given the supply curve in the graph below, The change in producer surplus as the price increased from \$5 to \$8 would be _____. The elasticity of this supply curve is _____.

Answer: <https://biology-forums.com/index.php?topic=1910646>

Question 463

Contractionary fiscal policy actions will _____ the price of farm commodities.

Answer: <https://biology-forums.com/index.php?topic=1910863>

Question 464

The consumer is at equilibrium when the marginal rate of substitution is equal to the slope of the budget line.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910476>

Question 465

Real GDP is found by dividing:

- Nominal GDP by the prices paid index by farmers.
- Nominal GDP by the producer price index.
- Nominal GDP by the consumer price index.
- None of the above.

Answer: <https://biology-forums.com/index.php?topic=1910810>

Question 466

Net exports of goods and services is equal to imports minus exports.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910761>

Question 467

Federal marketing orders were created in 1937 by way of which legislative act?

- Robinson-Putman Act
- Cooperative Marketing Act
- Capper-Volstead Act
- Agricultural Marketing Agreement Act

Answer: <https://biology-forums.com/index.php?topic=1910654>

Question 468

An expansionary monetary policy by the Federal Open Market Committee would cause interest rates to decline and the exchange rate to depreciate, ceteris paribus.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1910871>

Question 469

Nontariff barriers include which of the following?

- Export subsidies, ad valorem tariffs and price supports
- Price supports, import quotas and favorable government credit terms
- Price supports, favorable credit terms for exporters, specific tariffs and ad valorem tariffs
- Export subsidies, specific tariffs and restrictions at national borders

Answer: <https://biology-forums.com/index.php?topic=1910891>

Question 470

Consider the following diagram, which deals with shrimp from Galveston Bay. This diagram is technically called a/an _____ curve.

Answer: <https://biology-forums.com/index.php?topic=1910485>

Question 471

According to the chart below, which bundle is preferred?

Bundle
Bottles of Dr. Pepper
Number of wings
Total Utility

A
3
4
24

B
2
6
24

C
4
5
40

D
5
3
30

- Bundle A
- Bundle B
- Bundle C
- Bundle D

Answer: <https://biology-forums.com/index.php?topic=1910520>

Question 472

Suppose the index of prices received by farmers for 2000 was 1.02 and the base year of this index was 1995. Then

- relative to 1995, farm prices were 102% higher in 2000.
- relative to 2000, farm prices were 2% higher in 1995.
- relative to 2000, farm prices were 102% higher in 1995.
- relative to 1995, farm prices were 2% higher in 2000.

Answer: <https://biology-forums.com/index.php?topic=1910405>