

Practice Test for Final
ECON 2010-200
Fall 2009
Instructor: Soojae Moon

Please read carefully and choose the choice that best completes the statement or answers the question.

- _____ 1. In which of the following markets are strategic interactions among firms most likely to occur?
- a. markets to which patent and copyright laws apply
 - b. the market for piano lessons
 - c. the market for tennis balls
 - d. the market for corn
- _____ 2. A distinguishing feature of an oligopolistic industry is the tension between
- a. profit maximization and cost minimization.
 - b. cooperation and self interest.
 - c. producing a small amount of output and charging a price above marginal cost.
 - d. short-run decisions and long-run decisions.
- _____ 3. Which of the following statements is correct?
- a. If duopolists successfully collude, then their combined output will be equal to the output that would be observed if the market were a monopoly.
 - b. Although the logic of self-interest decreases a duopoly's price below the monopoly price, it does not push the duopolists to reach the competitive price.
 - c. Although the logic of self-interest increases a duopoly's level of output above the monopoly level, it does not push the duopolists to reach the competitive level.
 - d. All of the above are correct.

Table 17-2. The table shows the town of Pittsville's demand schedule for gasoline. For simplicity, assume the town's gasoline seller(s) incur no costs in selling gasoline.

Quantity (in gallons)	Price	Total Revenue (and total profit)
0	\$10	\$0
100	9	900
200	8	1,600
300	7	2,100
400	6	2,400
500	5	2,500
600	4	2,400
700	3	2,100
800	2	1,600
900	1	900
1,000	0	0

- _____ 4. **Refer to Table 17-2.** If the market for gasoline in Pittsville is perfectly competitive, then the equilibrium price of gasoline is
- \$8 and the equilibrium quantity is 200 gallons.
 - \$5 and the equilibrium quantity is 500 gallons.
 - \$2 and the equilibrium quantity is 800 gallons.
 - \$0 and the equilibrium quantity is 1,000 gallons.
- _____ 5. **Refer to Table 17-2.** If the market for gasoline in Pittsville is a monopoly, then the profit-maximizing monopolist will charge a price of
- \$8 and sell 200 gallons.
 - \$5 and sell 500 gallons.
 - \$2 and sell 800 gallons.
 - \$0 and sell 1,000 gallons.
- _____ 6. **Refer to Table 17-2.** If there are exactly two sellers of gasoline in Pittsville and if they collude, then which of the following outcomes is most likely?
- Each seller will sell 500 gallons and charge a price of \$5.
 - Each seller will sell 500 gallons and charge a price of \$2.50.
 - Each seller will sell 350 gallons and charge a price of \$3.
 - Each seller will sell 250 gallons and charge a price of \$5.
- _____ 7. As the number of sellers in an oligopoly becomes very large,
- the quantity of output approaches the socially efficient quantity.
 - the price approaches marginal cost.
 - the price effect is diminished.
 - All of the above are correct.
- _____ 8. The equilibrium price in a market characterized by oligopoly is
- higher than in monopoly markets and higher than in perfectly competitive markets.
 - higher than in monopoly markets and lower than in perfectly competitive markets.
 - lower than in monopoly markets and higher than in perfectly competitive markets.
 - lower than in monopoly markets and lower than in perfectly competitive markets.

Figure 17-1. Two companies, ABC and XYZ, each decide whether to produce a high level of output or a low level of output. In the figure, the dollar amounts are payoffs and they represent annual profits for the two companies.

ABC's Decision

		ABC's Decision	
		High output	Low output
XYZ's Decision	High output	ABC's profit = \$3 million XYZ's profit = \$3 million	ABC's profit = \$2.5 million XYZ's profit = \$4 million
	Low output	ABC's profit = \$4 million XYZ's profit = \$2.5 million	ABC's profit = \$3.5 million XYZ's profit = \$3.5 million

- _____ 9. **Refer to Figure 17-1.** The dominant strategy for ABC is to
- produce high output, and the dominant strategy for XYZ is to produce high output.
 - produce high output, and the dominant strategy for XYZ is to produce low output.
 - produce low output, and the dominant strategy for XYZ is to produce high output.
 - produce low output, and the dominant strategy for XYZ is to produce low output.
- _____ 10. **Refer to Figure 17-1.** Which of the following statements is correct?
- ABC can potentially earn its highest possible profit if it produces a high level of output, and for that reason it is a dominant strategy for ABC to produce a high level of output.
 - The highest possible combined profit for the two firms occurs when both produce a low level of output, and for that reason producing a low level of output is a dominant strategy for both firms.
 - Regardless of the strategy pursued by ABC, XYZ's best strategy is to produce a high level of output, and for that reason producing a high level of output is a dominant strategy for XYZ.
 - Our knowledge of game theory suggests that the most likely outcome of the game, if it is played only once, is for one firm to produce a low level of output and for the other firm to produce a high level of output.
- _____ 11. **Refer to Figure 17-1.** If this game is played only once, then the most likely outcome is that
- both firms produce a low level of output.
 - ABC produces a low level of output and XYZ produces a high level of output.
 - ABC produces a high level of output and XYZ produces a low level of output.
 - both firms produce a high level of output.
- _____ 12. Which of the following statements is (are) true of the prisoners' dilemma?
- Rational self-interest leads neither party to confess.
 - Cooperation between the prisoners is difficult to maintain.
 - Cooperation between the prisoners is individually rational.
- (ii) only
 - (ii) and (iii)
 - (i) and (iii)

- d. (i), (ii), and (iii)

Table 17-12. This table shows a game played between two players, A and B. The payoffs in the table are shown as (Payoff to A, Payoff to B).

		B	
		<i>Right</i>	<i>Left</i>
A	<i>Up</i>	(2, 2)	(3, 1)
	<i>Down</i>	(1, 3)	(0, 0)

13. **Refer to Table 17-12.** Which of the following statements about this game is true?
- Up is a dominant strategy for A and Right is a dominant strategy for B.
 - Up is a dominant strategy for A and Left is a dominant strategy for B.
 - Down is a dominant strategy for A and Right is a dominant strategy for B.
 - Down is a dominant strategy for A and Left is a dominant strategy for B.
14. **Refer to Table 17-12.** Which outcome is the Nash equilibrium in this game?
- Up-Right
 - Up-Left
 - Down-Right
 - Down-Left

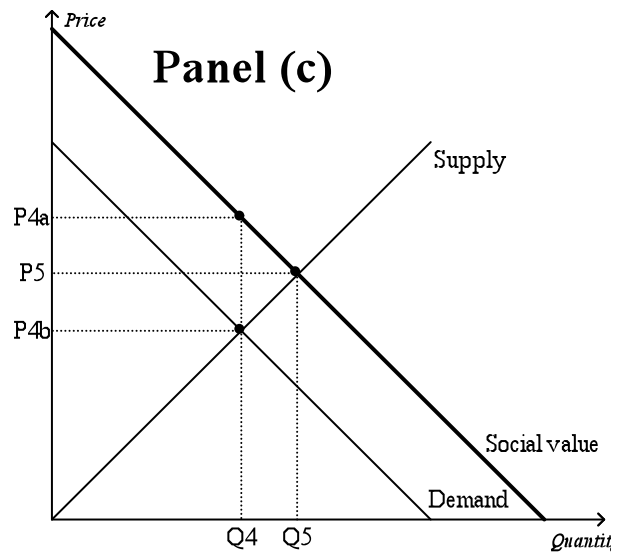
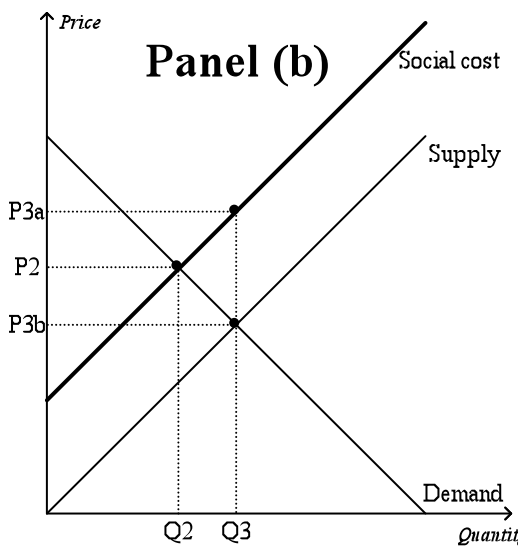
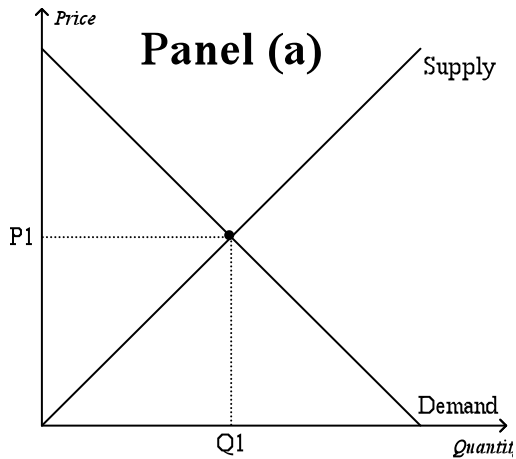
Figure 17-2. John and Michael are roommates. On a particular day, their apartment needs to be cleaned. Each person has to decide whether to take part in cleaning. At the end of the day, either the apartment will be completely clean (if one or both roommates take part in cleaning), or it will remain dirty (if neither roommate cleans). With happiness measured on a scale of 1 (very unhappy) to 10 (very happy), the possible outcomes are as follows:

		John's Decision	
		Clean	Don't clean
Michael's Decision	Clean	John's happiness = 7 Michael's happiness = 8	John's happiness = 10 Michael's happiness = 3
	Don't clean	John's happiness = 3 Michael's happiness = 10	John's happiness = 6 Michael's happiness = 4

15. **Refer to Figure 17-2.** The dominant strategy for John is to
- clean, and the dominant strategy for Michael is to clean.
 - clean, and the dominant strategy for Michael is to refrain from cleaning.
 - refrain from cleaning, and the dominant strategy for Michael is to clean.
 - refrain from cleaning, and the dominant strategy for Michael is to refrain from cleaning.

- _____ 16. **Refer to Figure 17-2.** In pursuing his own self-interest, Michael will
- refrain from cleaning whether or not John cleans.
 - clean only if John cleans.
 - clean only if John refrains from cleaning.
 - clean whether or not John cleans.
- _____ 17. Antitrust laws in general are used to
- prevent oligopolists from acting in ways that make markets less competitive.
 - encourage oligopolists to pursue cooperative-interest at the expense of self-interest.
 - encourage frivolous lawsuits among competitive firms.
 - encourage all firms to cut production levels and cut prices.
- _____ 18. A key issue in the Microsoft case involved whether or not the bundling of the Windows operating system with an Internet browser was an example of
- predatory pricing.
 - tying.
 - resale price maintenance.
 - price discrimination.
- _____ 19. Resale price maintenance involves a firm
- colluding with another firm to restrict output and raise prices.
 - selling two individual products together for a single price rather than selling each product individually at separate prices.
 - temporarily cutting the price of its product to drive a competitor out of the market.
 - requiring that the firm reselling its product do so at a specified price.
- _____ 20. Predatory pricing involves a firm
- colluding with another firm to restrict output and raise prices.
 - selling two individual products together for a single price rather than selling each product individually at separate prices.
 - temporarily cutting the price of its product to drive a competitor out of the market.
 - requiring that the firm reselling its product do so at a specified price.
- _____ 21. In the absence of externalities, the "invisible hand" leads a market to maximize
- producer profit from that market.
 - total benefit to society from that market.
 - both equality and efficiency in that market.
 - output of goods or services in that market.
- _____ 22. A negative externality arises when a person engages in an activity that has
- an adverse effect on a bystander who is not compensated by the person who causes the effect.
 - an adverse effect on a bystander who is compensated by the person who causes the effect.
 - a beneficial effect on a bystander who pays the person who causes the effect.
 - a beneficial effect on a bystander who does not pay the person who causes the effect.

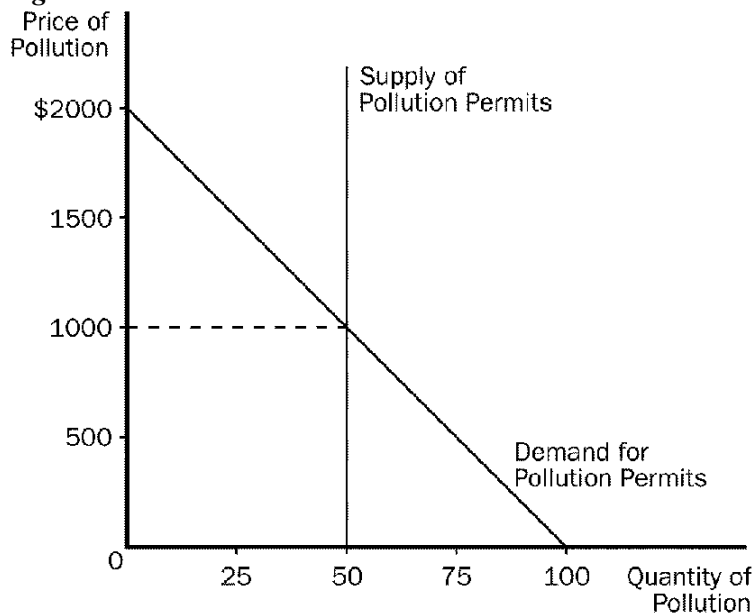
Figure 10-9



- ___ 23. Refer to Figure 10-9. Which graph represents a market with no externality?
- Panel (a)
 - Panel (b)
 - Panel (c)
 - None of the above is correct.
- ___ 24. Refer to Figure 10-9. Which graph represents a market with a positive externality?
- Panel (a)
 - Panel (b)
 - Panel (c)
 - Both (b) and (c) are correct.
- ___ 25. Refer to Figure 10-9, Panel (b). The market equilibrium quantity is
- Q2, which is the socially optimal quantity.
 - Q3, which is the socially optimal quantity.
 - Q2, and the socially optimal quantity is Q3.
 - Q3, and the socially optimal quantity is Q2.

- _____ 26. **Refer to Figure 10-9.** The overuse of antibiotics leads to the development of antibiotic-resistant diseases. Therefore, the market for antibiotics is shown in
- Panel (a).
 - Panel (b).
 - Panel (c).
 - Both (b) and (c) are correct.
- _____ 27. **Refer to Figure 10-9, Panel (b) and Panel (c).** The installation of a scrubber in a smokestack reduces the emission of harmful chemicals from the smokestack. Therefore, the socially optimal quantity of smokestack scrubbers is represented by point
- Q2.
 - Q3.
 - Q4.
 - Q5.
- _____ 28. A corrective tax
- causes each factory to reduce pollution by the same amount.
 - assigns a legal pollution limit for firms.
 - places a price on the right to pollute.
 - costs society more than pollution regulations.
- _____ 29. The difference between a corrective tax and a tradable pollution permit is that
- a corrective tax sets the price of pollution and a permit sets the quantity of pollution.
 - a corrective tax creates a more efficient outcome than a permit.
 - a corrective tax sets the quantity of pollution and a permit sets the price of pollution.
 - a permit creates a more efficient outcome than a corrective tax.

Figure 10-11



- _____ 30. **Refer to Figure 10-11.** This graph shows the market for pollution when permits are issued to firms and traded in the marketplace. The equilibrium price of pollution is
- \$50
 - \$500

- c. \$1,000
- d. \$2,000

- _____ 31. Reaching an efficient bargain is difficult when the
 - a. externality is large.
 - b. number of interested parties is large.
 - c. externality is negative.
 - d. government becomes involved.

- _____ 32. The Coase theorem suggests that private solutions to an externality problem
 - a. are effective under all conditions.
 - b. will usually allocate resources efficiently if private parties can bargain without cost.
 - c. are only efficient when there are negative externalities.
 - d. may not be possible because of the distribution of property rights.

- _____ 33. The Coase theorem states that
 - a. under certain circumstances government intervention is not needed to reach efficient outcomes when an externality is present.
 - b. government intervention is always required to reach an efficient outcome when an externality is present.
 - c. government intervention cannot lead to an efficient outcome when an externality is present.
 - d. only negative externalities can be resolved using government intervention.

- _____ 34. When a good is excludable,
 - a. one person's use of the good diminishes another person's ability to use it.
 - b. people can be prevented from using the good.
 - c. no more than one person can use the good at the same time.
 - d. everyone will be excluded from using the good.

- _____ 35. Goods that are excludable include both
 - a. natural monopolies and public goods.
 - b. public goods and common resources.
 - c. common resources and private goods.
 - d. private goods and natural monopolies.

- _____ 36. When a good is rival in consumption,
 - a. one person's use of the good diminishes another person's ability to use it.
 - b. people can be prevented from using the good.
 - c. no more than one person can use the good at the same time.
 - d. everyone will be excluded from obtaining the good.

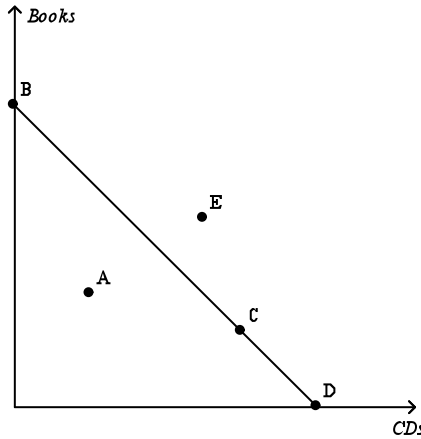
- _____ 37. Goods that are *not* rival in consumption include both
 - a. private goods and common resources.
 - b. natural monopolies and public goods.
 - c. common resources and public goods.
 - d. private goods and natural monopolies.

- _____ 38. Goods that are rival in consumption but *not* excludable would be considered
 - a. natural monopolies.
 - b. common resources.
 - c. public goods.
 - d. private goods.

- _____ 39. A cheeseburger is
- excludable and rival in consumption.
 - excludable and nonrival in consumption.
 - nonexcludable and rival in consumption.
 - nonexcludable and nonrival in consumption.
- _____ 40. The free-rider problem exists with
- apples.
 - knowledge.
 - cable TV service.
 - congested toll roads.
- _____ 41. Market failure associated with the free-rider problem is a result of
- a problem associated with pollution.
 - benefits that accrue to those who don't pay.
 - losses that accrue to providers of the product.
 - market power.
- _____ 42. An overcrowded beach is an example of
- a positive externality.
 - a Tragedy of the Commons.
 - an environmentally inefficient allocation of resources.
 - an economically unfair allocation of resources.
- _____ 43. Which of the following statements is correct?
- The theory of consumer choice provides a more complete understanding of supply, just as the theory of the competitive firm provides a more complete understanding of demand.
 - The theory of consumer choice provides a more complete understanding of demand, just as the theory of the competitive firm provides a more complete understanding of supply.
 - Monetary theory provides a more complete understanding of demand, just as the theory of the competitive firm provides a more complete understanding of supply.
 - The theory of public choice provides a more complete understanding of supply, just as the theory of the competitive firm provides a more complete understanding of demand.
- _____ 44. The theory of consumer choice examines
- the determination of output in competitive markets.
 - the tradeoffs inherent in decisions made by consumers.
 - how consumers select inputs into manufacturing production processes.
 - the determination of prices in competitive markets.
- _____ 45. Karen, Tara, and Chelsea each buy ice cream and paperback novels to enjoy on hot summer days. Ice cream costs \$5 per gallon, and paperback novels cost \$8 each. Karen has a budget of \$80, Tara has a budget of \$60, and Chelsea has a budget of \$40 to spend on ice cream and paperback novels. Who can afford to purchase 8 gallons of ice cream and 5 paperback novels?
- Karen, Tara, and Chelsea
 - Karen only
 - Tara and Chelsea but not Karen
 - none of the women
- _____ 46. An increase in income will cause a consumer's budget constraint to
- shift outward, parallel to its initial position.
 - shift inward, parallel to its initial position.

- c. pivot around the horizontal axis.
- d. pivot around the vertical axis.

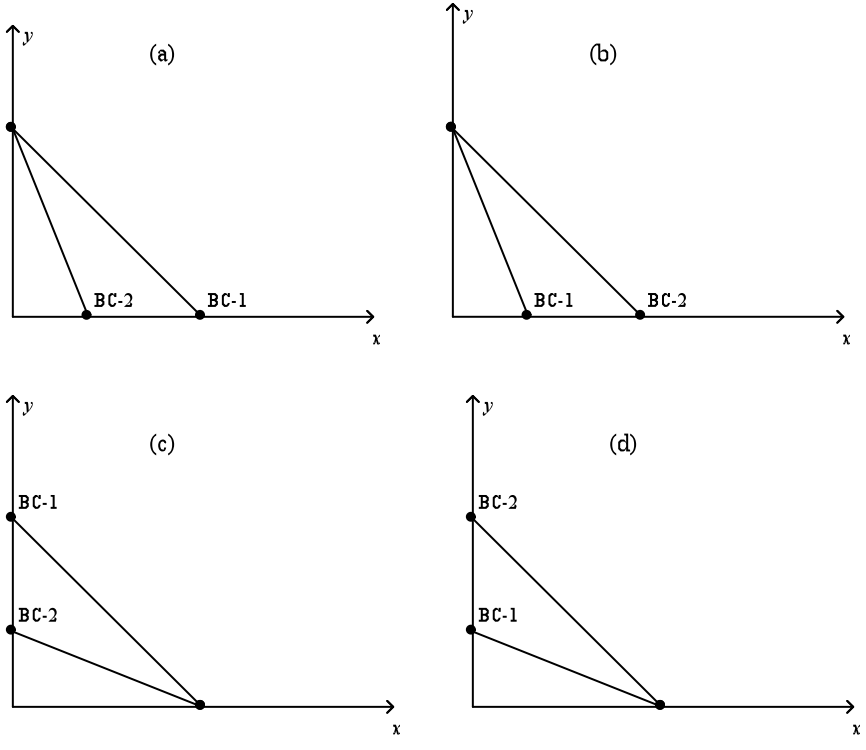
Figure 21-1



- 47. Refer to Figure 21-1. Which point in the figure showing a consumer's budget constraint represents the consumer's income divided by the price of a CD?
 - a. point A
 - b. point C
 - c. point D
 - d. point E
- 48. Refer to Figure 21-1. A consumer that chooses to spend all of her income could be at which point(s) on the budget constraint?
 - a. A only
 - b. E only
 - c. B, C, or D only
 - d. A, B, C, or D only
- 49. Refer to Figure 21-1. All of the points identified in the figure represent affordable consumption options with the exception of
 - a. A.
 - b. E.
 - c. A and E.
 - d. None. All points are affordable.

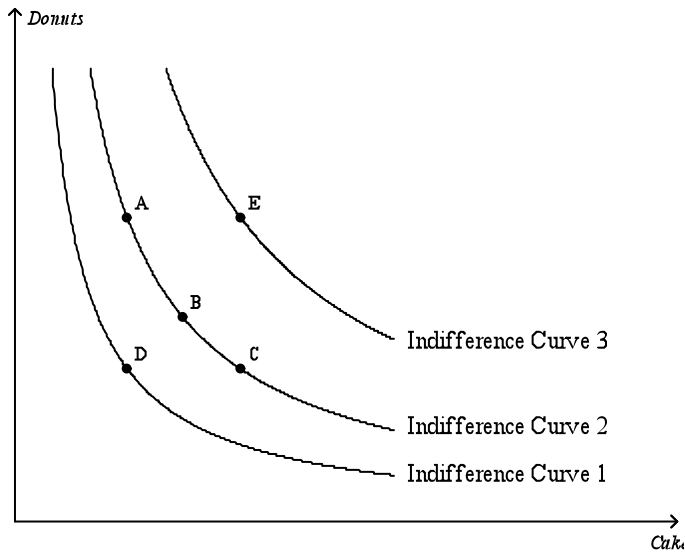
Figure 21-3

In each case, the budget constraint moves from BC-1 to BC-2.



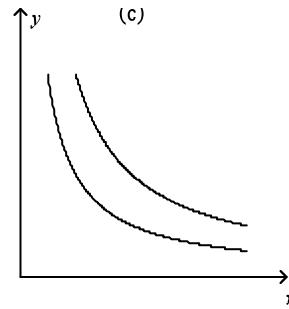
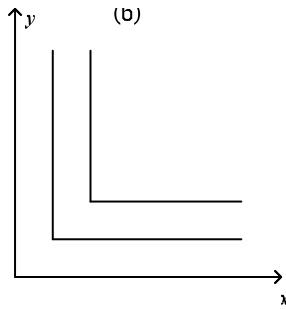
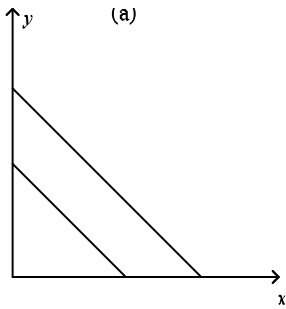
- ___ 50. Refer to Figure 21-3. Which of the graphs in the figure reflects a decrease in the price of good X only?
- graph a
 - graph b
 - graph c
 - graph d
- ___ 51. Refer to Figure 21-3. Which of the graphs in the figure could reflect a decrease in the prices of both goods?
- graph a
 - graph b
 - graph c
 - None of the above is correct.
- ___ 52. If two bundles of goods give a consumer the same satisfaction, the consumer must be
- on her budget constraint.
 - in a position of equilibrium.
 - indifferent between the bundles.
 - Both a and c are correct.

Figure 21-7



- _____ 53. **Refer to Figure 21-7.** When comparing bundle A to bundle E, the consumer
- prefers bundle A because it contains more donuts.
 - prefers bundle E because it lies on a higher indifference curve.
 - prefers bundle E because it contains more donuts.
 - is indifferent between the two bundles.
- _____ 54. **Refer to Figure 21-7.** Which of the following statements is correct?
- Bundle A is preferred equally to bundle E.
 - Bundle A is preferred equally to bundle C.
 - Bundle B contains more cake than bundle C.
 - The bundles along indifference curve Indifference Curve 2 are preferred to those along indifference curve Indifference Curve 3.
- _____ 55. **Refer to Figure 21-7.** Which of the following statements is correct?
- If a consumer moves from bundle C to bundle A, her loss of cake cannot be compensated for by an increase in donuts.
 - Bundle E is preferred to all other points identified in the figure.
 - Since more is preferred to less, bundle C may be preferred to bundle E in some circumstances for this consumer.
 - Even though bundle E has more of both goods than bundle B, we could draw a different set of indifference curves in which bundle B is preferred to bundle E.
- _____ 56. Which of the following is a property of indifference curves?
- Indifference curves usually intersect.
 - Indifference curves have positive slopes.
 - Indifference curves are downward sloping and always linear.
 - Indifference curves are bowed in toward the origin.

Figure 21-8



- _____ 57. **Refer to Figure 21-8.** Which of the graphs shown may represent indifference curves?
- graph a
 - graph b
 - graph c
 - All of the above are correct.
- _____ 58. **Refer to Figure 21-8.** Which of the graphs shown represent indifference curves for perfect complements?
- graph a
 - graph b
 - graph c
 - All of the above are correct.
- _____ 59. **Refer to Figure 21-8.** Which of the graphs shown represent indifference curves for perfect substitutes?
- graph a
 - graph b
 - graph c
 - All of the above are correct.

ECON 2010-200 Practice Final Answer Section

MULTIPLE CHOICE

1. ANS: C PTS: 1 DIF: 2 REF: 17-0
NAT: Analytic LOC: Oligopoly TOP: Game theory MSC: Interpretive
2. ANS: B PTS: 1 DIF: 2 REF: 17-1
NAT: Analytic LOC: Oligopoly TOP: Oligopoly MSC: Interpretive
3. ANS: D PTS: 1 DIF: 2 REF: 17-1
NAT: Analytic LOC: Oligopoly TOP: Duopoly MSC: Interpretive
4. ANS: D PTS: 1 DIF: 2 REF: 17-1
NAT: Analytic LOC: Perfect competition TOP: Perfect competition
MSC: Applicative
5. ANS: B PTS: 1 DIF: 2 REF: 17-1
NAT: Analytic LOC: Monopoly TOP: Monopoly MSC: Applicative
6. ANS: D PTS: 1 DIF: 2 REF: 17-1
NAT: Analytic LOC: Oligopoly TOP: Duopoly MSC: Applicative
7. ANS: D PTS: 1 DIF: 2 REF: 17-1
NAT: Analytic LOC: Oligopoly TOP: Oligopoly MSC: Interpretive
8. ANS: C PTS: 1 DIF: 2 REF: 17-1
NAT: Analytic LOC: Oligopoly TOP: Oligopoly | Equilibrium price
MSC: Analytical
9. ANS: A PTS: 1 DIF: 2 REF: 17-2
NAT: Analytic LOC: Oligopoly TOP: Game theory | Dominant strategy
MSC: Applicative
10. ANS: C PTS: 1 DIF: 2 REF: 17-2
NAT: Analytic LOC: Oligopoly TOP: Game theory | Dominant strategy
MSC: Applicative
11. ANS: D PTS: 1 DIF: 2 REF: 17-2
NAT: Analytic LOC: Oligopoly TOP: Game theory MSC: Applicative
12. ANS: A PTS: 1 DIF: 2 REF: 17-2
NAT: Analytic LOC: Oligopoly TOP: Prisoners' dilemma
MSC: Interpretive
13. ANS: A PTS: 1 DIF: 2 REF: 17-2
NAT: Analytic LOC: Oligopoly TOP: Game theory MSC: Applicative
14. ANS: A PTS: 1 DIF: 2 REF: 17-2
NAT: Analytic LOC: Oligopoly TOP: Game theory MSC: Applicative
15. ANS: D PTS: 1 DIF: 2 REF: 17-2
NAT: Analytic LOC: Oligopoly TOP: Game theory | Dominant strategy
MSC: Applicative
16. ANS: A PTS: 1 DIF: 2 REF: 17-2
NAT: Analytic LOC: Oligopoly TOP: Game theory | Dominant strategy
MSC: Applicative
17. ANS: A PTS: 1 DIF: 1 REF: 17-3
NAT: Analytic LOC: The role of government TOP: Antitrust
MSC: Interpretive
18. ANS: B PTS: 1 DIF: 2 REF: 17-3

- NAT: Analytic LOC: The role of government TOP: Tying
MSC: Interpretive
19. ANS: D PTS: 1 DIF: 2 REF: 17-3
NAT: Analytic LOC: Oligopoly TOP: Resale price maintenance
MSC: Definitional
20. ANS: C PTS: 1 DIF: 2 REF: 17-3
NAT: Analytic LOC: Oligopoly TOP: Predatory pricing
MSC: Definitional
21. ANS: B PTS: 1 DIF: 1 REF: 10-0
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Externalities MSC: Applicative
22. ANS: A PTS: 1 DIF: 1 REF: 10-0
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Negative externalities MSC: Definitional
23. ANS: A PTS: 1 DIF: 2 REF: 10-1
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Markets | Externalities MSC: Interpretive
24. ANS: C PTS: 1 DIF: 2 REF: 10-1
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Positive externalities MSC: Interpretive
25. ANS: D PTS: 1 DIF: 2 REF: 10-1
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Negative externalities MSC: Interpretive
26. ANS: B PTS: 1 DIF: 2 REF: 10-1
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Negative externalities MSC: Applicative
27. ANS: D PTS: 1 DIF: 2 REF: 10-1
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Positive externalities MSC: Applicative
28. ANS: C PTS: 1 DIF: 2 REF: 10-2
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Corrective taxes | Command-and-control policies MSC: Applicative
29. ANS: A PTS: 1 DIF: 2 REF: 10-2
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Corrective taxes | Tradable pollution permits MSC: Analytical
30. ANS: C PTS: 1 DIF: 2 REF: 10-2
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Tradable pollution permits MSC: Analytical
31. ANS: B PTS: 1 DIF: 2 REF: 10-3
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Coase theorem MSC: Applicative
32. ANS: B PTS: 1 DIF: 2 REF: 10-3
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Coase theorem MSC: Applicative
33. ANS: A PTS: 1 DIF: 1 REF: 10-3
NAT: Analytic LOC: Markets, market failure, and externalities
TOP: Coase theorem MSC: Definitional
34. ANS: B PTS: 1 DIF: 1 REF: 11-1
NAT: Analytic LOC: The study of economics and definitions in economics

- TOP: Excludability MSC: Definitional
35. ANS: D PTS: 1 DIF: 2 REF: 11-1
 NAT: Analytic LOC: Understanding and applying economic models
 TOP: Excludability MSC: Applicative
36. ANS: A PTS: 1 DIF: 1 REF: 11-1
 NAT: Analytic LOC: The study of economics and definitions in economics
 TOP: Rivalry in consumption MSC: Definitional
37. ANS: B PTS: 1 DIF: 2 REF: 11-1
 NAT: Analytic LOC: Understanding and applying economic models
 TOP: Rivalry in consumption MSC: Applicative
38. ANS: B PTS: 1 DIF: 2 REF: 11-1
 NAT: Analytic LOC: Understanding and applying economic models
 TOP: Rivalry in consumption MSC: Applicative
39. ANS: A PTS: 1 DIF: 2 REF: 11-1
 NAT: Analytic LOC: Understanding and applying economic models
 TOP: Private goods MSC: Applicative
40. ANS: B PTS: 1 DIF: 1 REF: 11-2
 NAT: Analytic LOC: Markets, market failure, and externalities
 TOP: Free riders MSC: Applicative
41. ANS: B PTS: 1 DIF: 2 REF: 11-2
 NAT: Analytic LOC: Markets, market failure, and externalities
 TOP: Free riders MSC: Applicative
42. ANS: B PTS: 1 DIF: 1 REF: 11-3
 NAT: Analytic LOC: Markets, market failure, and externalities
 TOP: Tragedy of the Commons MSC: Applicative
43. ANS: B PTS: 1 DIF: 1 REF: 21-0
 NAT: Analytic LOC: Utility and consumer choice TOP: Consumer choice
 MSC: Interpretive
44. ANS: B PTS: 1 DIF: 1 REF: 21-0
 NAT: Analytic LOC: Utility and consumer choice TOP: Consumer choice
 MSC: Definitional
45. ANS: B PTS: 1 DIF: 1 REF: 21-1
 NAT: Analytic LOC: Utility and consumer choice TOP: Budget constraint
 MSC: Applicative
46. ANS: A PTS: 1 DIF: 2 REF: 21-1
 NAT: Analytic LOC: Utility and consumer choice TOP: Budget constraint
 MSC: Analytical
47. ANS: C PTS: 1 DIF: 2 REF: 21-1
 NAT: Analytic LOC: Utility and consumer choice TOP: Budget constraint
 MSC: Applicative
48. ANS: C PTS: 1 DIF: 1 REF: 21-1
 NAT: Analytic LOC: Utility and consumer choice TOP: Budget constraint
 MSC: Applicative
49. ANS: B PTS: 1 DIF: 2 REF: 21-1
 NAT: Analytic LOC: Utility and consumer choice TOP: Budget constraint
 MSC: Applicative
50. ANS: B PTS: 1 DIF: 2 REF: 21-1
 NAT: Analytic LOC: Utility and consumer choice TOP: Budget constraint
 MSC: Analytical

51. ANS: D PTS: 1 DIF: 2 REF: 21-1
 NAT: Analytic LOC: Utility and consumer choice TOP: Budget constraint
 MSC: Analytical
52. ANS: C PTS: 1 DIF: 2 REF: 21-2
 NAT: Analytic LOC: Utility and consumer choice TOP: Indifference curves
 MSC: Interpretive
53. ANS: B PTS: 1 DIF: 2 REF: 21-2
 NAT: Analytic LOC: Utility and consumer choice TOP: Indifference curves
 MSC: Analytical
54. ANS: B PTS: 1 DIF: 1 REF: 21-2
 NAT: Analytic LOC: Utility and consumer choice TOP: Indifference curves
 MSC: Analytical
55. ANS: B PTS: 1 DIF: 2 REF: 21-2
 NAT: Analytic LOC: Utility and consumer choice TOP: Indifference curves
 MSC: Analytical
56. ANS: D PTS: 1 DIF: 1 REF: 21-2
 NAT: Analytic LOC: Utility and consumer choice TOP: Indifference curves
 MSC: Interpretive
57. ANS: D PTS: 1 DIF: 2 REF: 21-2
 NAT: Analytic LOC: Utility and consumer choice TOP: Indifference curves
 MSC: Analytical
58. ANS: B PTS: 1 DIF: 1 REF: 21-2
 NAT: Analytic LOC: Utility and consumer choice TOP: Perfect complements
 MSC: Interpretive
59. ANS: A PTS: 1 DIF: 1 REF: 21-2
 NAT: Analytic LOC: Utility and consumer choice TOP: Perfect substitutes
 MSC: Interpretive