

# Microeconomics exam

[Economics](#), [Microeconomics](#)



## Fall 2012 Econ 201 Principles of Microeconomics Exam 1

Name \_\_\_\_\_ ID

# \_\_\_\_\_ Part 1:

Answer only ONE of the questions. Write a short answer, using complete sentences. Part 2: Circle the correct response. Part 3: Answer each question, and if appropriate show the math you did to arrive at the answer. Part 1

Choose only ONE of these questions to explain (either a, b, or c). A. Suppose your sister is a better cook than you are, but you can clean more quickly than your sister.

If your sister did all the cooking and you did all the cleaning, would your chores take you more or less time than if you divided each task evenly?

Write a few sentences explaining this. B. You were planning to spend

Saturday working at your part-time job, but your friend asks you to go skiing.

What is the true cost of going skiing? Now suppose you had been planning to spend the day studying at the library. What is the cost of going skiing in this case? Write a few sentences explaining this. Fall 2012 Econ 201

Microeconomics Exam 1 A Figure 2-1 1. Refer to Figure 2-1. Which arrow represents the flow of goods and services? a. | A| b. | B| c. | C| d. | D| 2. Refer to Figure 2-1. Which arrow represents the flow of spending by households? a. | A| b. | B| c. | C| d. | D| 3. Refer to Figure 2-1. Which arrow represents the flow of land, labor, and capital? a. | A| b. | B| c. | C| d. | D| 4. Refer to Figure 2-1. Which arrow represents the flow of income payments? a. | A| b. | B| c. | C| d. | D| 5. Refer to Figure 2-1. Julio buys a new pair of shoes at a shoe store. To which of the arrows does this transaction directly contribute? a. | A



(buy) birdhouses? Which person should specialize in the production and export of birdhouses and should import baskets? 7. If one person were to sell birdhouses to the other, what is the lowest amount of baskets one person would be willing to accept and what is the highest amount of baskets the other person would be willing to pay?