

1.

Award: 1.00 point

For economists, the word "utility" means

- versatility and flexibility.
- rationality.
- pleasure or satisfaction.
- purposefulness.

References

Multiple Choice Difficulty: 01 Easy

Learning Objective: 01-01 Define economics and the features of the economic perspective.

2.

Award: 1.00 point

In economics, the pleasure, happiness, or satisfaction received from a product is called

- marginal cost.
- rational outcome.
- status fulfillment.
- utility.

References

Multiple Choice Difficulty: 01 Easy

Learning Objective: 01-01 Define economics and the features of the economic perspective.

3.

Award: 1.00 point

When economists say that people act rationally in their self-interest, they mean that individuals

- look for and pursue opportunities to increase their utility.
- generally disregard the interests of others.
- are mainly creatures of habit.
- are usually impulsive and unpredictable.

References

Multiple Choice Difficulty: 01 Easy

Learning Objective: 01-01 Define economics and the features of the economic perspective.

4.

Award: 1.00 point

According to Emerson: "Want is a growing giant whom the coat of Have was never large enough to cover." According to economists, "Want" exceeds "Have" because

- people are greedy.
- productive resources are limited.
- human beings are inherently insecure.
- people are irrational.

References

Multiple Choice Difficulty: 01 Easy

Learning Objective: 01-01 Define economics and the features of the economic perspective.

5.

Award: 1.00 point

According to economists, economic self-interest

- is a reality that underlies economic behavior.
- has the same meaning as selfishness.
- means that people never make wrong decisions.
- is usually self-defeating.

References

Multiple Choice Difficulty: 01 Easy

Learning Objective: 01-01 Define economics and the features of the economic perspective.

6.

Award: 1.00 point

Joe sold gold coins for \$1,000 that he bought a year ago for \$1,000. He says, "At least I didn't lose any money on my financial investment." His economist friend points out that in effect he did lose money because he could have received a 3 percent return on the \$1,000 if he had bought a bank certificate of deposit instead of the coins. The economist's analysis in this case incorporates the idea of

- opportunity costs.
- marginal benefits that exceed marginal costs.
- imperfect information.
- normative economics.

References

Multiple Choice Difficulty: 01 Easy

Learning Objective: 01-01 Define economics and the features of the economic perspective.

7.

Award: 1.00 point

A person should consume more of something when its marginal

- benefit exceeds its marginal cost.
- cost exceeds its marginal benefit.
- cost equals its marginal benefit.
- benefit is still better.

References

Multiple Choice Difficulty: 01 Easy

Learning Objective: 01-01 Define economics and the features of the economic perspective.

8.

Award: 1.00 point

Economics may best be defined as the

- interaction between macro and micro considerations.
- social science concerned with how individuals, institutions, and society make optimal choices under conditions of scarcity.
- empirical testing of value judgments through the use of logic.
- study of why people are rational.

References

Multiple Choice Difficulty: 01 Easy

Learning Objective: 01-01 Define economics and the features of the economic perspective.