

eco292 List of Questions

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Q1 A shift of the demand curve to the left indicates an increase in demand

- ☐ FALSE
- ☐ TRUE
- ☐ MAYBE
- ☐ UNLIKELY

Q2 What CANNOT cause an increase in demand?

- ☐ Increase in the number of buyers.
- ☐ Rising income if product is a normal good
- ☐ Decrease in the price of a substitute good
- ☐ Favourable change in consumer tastes.

Q3 A change in quantity demanded can be in two respects

- ☐ FALSE
- ☐ TRUE
- ☐ MAYBE
- ☐ UNLIKELY

Q4 When does increase in quantity demanded occurs as a movement downwards on a demand curve?

- ☐ When price falls and other determinants of demand remain constant
- ☐ When price is stable and other determinants of demand remain constant
- ☐ When price rises and other determinants of demand remain constant
- ☐ When price falls and other determinants of demand are flexible

Q5 The Supply Curve is a graph illustrating how much of a given commodity sellers (firms) would sell at _____.

- ☐ different costs
- ☐ different levels
- ☐ different prices
- ☐ different markets

Q6 Supply curves are derived from supply schedules

- ☐ FALSE
- ☐ TRUE
- ☐ MAYBE
- ☐ UNLIKELY

Q7 A higher price means greater profits and thus an incentive to increase the _____.

- ☐ quantity denaded
- ☐ quantity bought
- ☐ quantity produced
- ☐ quantity supplied

Q8 What is Market supply?

- ☐ It is the vertical summation of individual firms' supply curves.
- ☐ It is the vertical summation of individual firms' demand curves.

- ☐ It is the horizontal summation of individual firms' demand curves.
- ☐ It is the horizontal summation of individual firms' supply curves.

Q9 Generally, the higher the number of sellers the greater the supply.

- ☐ Generally, the higher the number of sellers the greater the demand.
- ☐ Generally, the higher the number of sellers the greater the price.
- ☐ Generally, the higher the number of sellers the greater the supply.
- ☐ Generally, the higher the number of sellers the greater the market.

Q10 Expectations about the future price of a product can cause producers to increase or decrease current supply.

- ☐ FALSE
- ☐ TRUE
- ☐ MAYBE
- ☐ UNLIKELY

Q11 What happens if price of substitute production good rises?

- ☐ Producers might shift production toward the higher priced good, causing an increase in supply of the original good
- ☐ Producers might shift production toward the higher priced good, causing a decrease in supply of the new good
- ☐ Producers might shift production toward the lower priced good, causing a decrease in supply of the original good
- ☐ Producers might shift production toward the higher priced good, causing a decrease in supply of the original good

Q12 A subsidy lowers cost of production, so _____.

- ☐ decrease supply
- ☐ decrease demand
- ☐ increases supply
- ☐ increase demand

Q13 A business tax is treated as a cost, so _____.

- ☐ decrease supply
- ☐ increase supply
- ☐ decrease demand
- ☐ increase demand

Q14 Which improvement means more efficient production and lower costs, so an increase in supply, or rightward shift in the curve results?

- ☐ Marketing
- ☐ Entrepreneurial
- ☐ Labour
- ☐ Technological

Q15 A decrease in resource prices will cause an increase in supply or _____ shift in the supply curve.

- ☐ rightward
- ☐ leftward
- ☐ upward
- ☐ downward

Q16 A rise in resource prices will cause a decrease in supply or _____ shift in supply curve

- ☐ rightward
- ☒ leftward
- ☐ upward
- ☐ downward

Q17 Which law states that the higher the price of a commodity, the higher the quantity supplied, if all other things are unchanged?

- ☐ The law of demand
- ☐ The law of demand and supply
- ☐ The law of market forces
- ☒ The law of supply

Q18 Supply curves are derived from supply schedules by plotting price against the quantity supplied with price on the _____.

- ☐ vertical axis
- ☐ horizon axis
- ☒ horizontal axis
- ☐ vertex axis

Q19 What is the quantity of a commodity sellers wish to sell at each conceivable price?

- ☐ Demand
- ☒ Supply
- ☐ Sales
- ☐ Purchases

Q20 Change in quantity demanded refers to _____ a demand curve as a result of changes in the price of the commodity.

- ☒ measurement along
- ☐ movement along
- ☐ marketing along
- ☐ schedule along

Q21 All the following factors EXCEPT _____ causes decrease in demand for a commodity

- ☐ Unfavourable change in consumer tastes.
- ☒ Increase in the number of buyers.
- ☐ Decrease in the number of buyers.
- ☐ Falling income if product is a normal good.

Q22 Which of the following is NOT an example of substitute good?

- ☐ Coke and pepsi
- ☐ Sugar and honey
- ☒ Tennis ball and racket
- ☐ Indomie and spaghetti

Q23 the price of the substitute good and demand for the other good are _____ related.

- ☒ directly
- ☐ inversely
- ☐ proportionally

- ☐ negatively

Q24 Define market demand.

- ☐ Market demand is the marginal of individually demanded quantities at the various prices
- ☒ Market demand is the sum of individually demanded quantities at the various prices
- ☐ Market demand is the average of individually demanded quantities at the various prices
- ☐ Market demand is the summary of individually demanded quantities at the various prices

Q25 What is marginal utility?

- ☐ It is the satisfaction derived from the consumption of two more extra units of the commodity
- ☐ It is the joy derived from the consumption of one more extra unit of the commodity
- ☐ It is the happiness derived from the consumption of one more extra unit of the commodity
- ☒ It is the satisfaction derived from the consumption of one more extra unit of the commodity

Q26 The law of demand states that other things being equal, as price increases, the quantity demanded of a commodity _____.

- ☐ increases
- ☐ remains the same
- ☒ decreases
- ☐ is proportional

Q27 Define demand curve.

- ☒ Is a graph illustrating how much of a given commodity buyers would buy at different prices.
- ☐ Is a table illustrating how much of a given commodity buyers would buy at different prices.
- ☐ Is a schedule illustrating how much of a given commodity buyers would buy at different prices.
- ☐ Is a board illustrating how much of a given commodity buyers would buy at different prices.

Q28 A table showing how much of a given commodity a buyer would be willing to buy at different prices is called _____.

- ☐ Market demand
- ☒ Demand schedule
- ☐ Demand table
- ☐ Demand graph

Q29 Which concept remains the most fundamental in economic analysis and constitutes the backbone of a market economy?

- ☒ The concept of demand and supply
- ☐ The concept of demand and want
- ☐ The concept of want and supply
- ☐ The concept of demand and market

Q30 What is referred to as a class of resources that are man-made for the purpose of creating a more efficient production process?

- ☐ Entrepreneur
- ☐ Labour
- ☒ Capital
- ☐ land

Q31 What encompasses the productive capacity of human physical and/or mental efforts, measured in terms of ability to work or produce goods and services?

- ☐ Entrepreneur

- ☐ Capital
- ☒ Labour
- ☐ land

Q32 Agricultural land, deposits of ferrous and non-ferrous minerals, water, fisheries, and other aquatic life, wilderness and its multiple products are examples of _____.

- ☐ material management
- ☐ renewable resources
- ☒ material resources
- ☐ human resources

Q33 Traditionally the economic notion of resources classify resources into three broad categories: _____.

- ☒ land, labour and capital
- ☐ land, labour and entrepreneur
- ☐ land, labour and money
- ☐ land, entrepreneur and capital

Q34 Resources can be classified from _____ perspectives

- ☐ five
- ☐ three
- ☐ four
- ☒ two

Q35 Define resources.

- ☐ As anything that is directly or indirectly capable of satisfying human needs
- ☒ As anything that is directly or indirectly capable of satisfying human wants
- ☐ As anything that is directly or indirectly capable of satisfying human desires
- ☐ As anything that is directly or indirectly capable of satisfying human thirst

Q36 What are economic agents?

- ☐ Households and schools
- ☐ Households and individuals
- ☒ Households and firms
- ☐ Industries and firms

Q37 When the total market value of the final goods and services produced is attributable to factors of production (labour, capital and natural resources) originating exclusively from a given country, it is termed as _____.

- ☐ net domestic product (NDP)
- ☐ gross national product (GNP)
- ☐ gross national account (GNA)
- ☒ gross domestic product (GDP)

Q38 In both the product and the factor markets, information about resource scarcity is transmitted through _____.

- ☒ prices
- ☐ costs
- ☐ markets
- ☐ suppliers

Q39 Every choice we make has a cost associated with it. What is the term for this cost?

- ☐ Opportunity cost
- ☐ Fixed cost
- ☐ Variable cost
- ☒ Total cost

Q40 What is the most implication of scarcity?

- ☐ Is the need to be austere
- ☐ Is the need to conserve
- ☐ Is the need to save
- ☒ Is the need to choose

Q41 At no price, the quantity supplied of a free good for instance exceeds the quantity demanded leading to a _____.

- ☒ surplus
- ☐ scarcity
- ☐ equilibrium
- ☐ disequilibrium

Q42 What is the opposite of a scarce resource?

- ☐ Unusual resources
- ☐ Infrequent resources
- ☐ Sporadic resources
- ☒ Free resource

Q43 The link between the flow of matter-energy in the economic system and the natural environment is very much ignored.

- ☐ FALSE
- ☒ TRUE
- ☐ UNLIKELY
- ☐ NEUTRAL

Q44 A typical economy is composed of EXCEPT _____.

- ☐ A flow of commodities
- ☐ Social institutions
- ☐ People
- ☒ Religion

Q45 The fundamental level, central to the neoclassical economics worldview with respect to the natural environment and its role in the economic process are the following four key issues EXCEPT _____.

- ☐ the market as a provider of information about resource scarcity
- ☒ the nature of relationships between the human economy and the economic environment.
- ☐ resource (factor) substitution
- ☐ scarcity augmenting technological advance

Q46 What could continually augment the scarcity of natural resources?

- ☐ Educational advancements
- ☒ Technological advances
- ☐ Human Capacity Building
- ☐ Scientific Advancements

Q47 Since the earth is \diamond ??finite \diamond ?? there exists a theoretical _____ for resource extraction and harvest and disposal of waste into the natural environment

- ☐ lower limit
- ☐ middle limit
- ☐ limit
- ☐ upper limit

Q48 Is NOT the maintenance of life support systems

- ☐ genetic uniformity
- ☐ climate regulation
- ☐ genetic diversity
- ☐ weather regulation

Q49 Is NOT nonrenewable resources

- ☐ iron ore
- ☐ forest products
- ☐ fossil fuels
- ☐ coals

Q50 The economy is assumed to depend on the environment for three of the following distinctive purposes EXCEPT _____.

- ☐ The extraction of nonrenewable resources and the harvest of renewable resources.
- ☐ The socio-cultural displays
- ☐ The disposal and assimilation of wastes.
- ☐ the consumption of environmental amenities

Q51 What is NOT the consequence that the humans are treated on pre-eminent in the natural environment?

- ☐ Consequently, the human economy is rated above natural environment
- ☐ humans are regarded as the universe \diamond ??s most important entity
- ☐ The natural environment therefore exists to serve the human economy
- ☐ environmental resources have intrinsic value

Q52 The Neoclassical worldview of environmental economic relationship is _____.

- ☐ centantric
- ☐ anthropic.
- ☐ anthropocentric
- ☐ centric.

Q53 In the name of economic activity the environmental resources are transformed into _____ goods

- ☐ perishable
- ☐ economic
- ☐ waste
- ☐ business

Q54 Which of the following economic functions is NOT discharged by the environment?

- ☐ The environment is the marketer of all forms of resources
- ☐ The wastes are cleaned up by the environment.

- ☐ The environment maintains genetic diversity and stabilizes the ecosystem.
- ☐ The environment is the supplier of all forms of resources

Q55 The environment is the supplier of all forms of resources like renewable and non-renewable.

- ☒ TRUE
- ☐ FALSE
- ☐ EXACTLY FALSE
- ☐ PROBABLY TRUE

Q56 In what form can the relationship between human economy and natural environment be explained?

- ☒ Material Balance Models
- ☐ Material Neutral Models
- ☐ Material Static Models
- ☐ Material Unbalance Models

Q57 The cultural superstructure does NOT include _____.

- ☐ art
- ☒ emotions
- ☐ dance
- ☐ music

Q58 The components of Superstructure are EXCEPT _____.

- ☐ cultural
- ☐ mental
- ☐ conscious motives
- ☒ religious

Q59 Which of the following is NOT a primary group structure?

- ☒ government
- ☐ riendship networks,
- ☐ community
- ☐ family members

Q60 The primary group can be a potent instrument in disseminating environmental education. Which of the following is NOT a function of the primary group?

- ☐ regulating reproduction,
- ☐ socialization
- ☐ enforcing domestic discipline.
- ☒ acclimatization

Q61 There are NO limits to the rate to which materials can be recycled through the natural system

- ☐ TRUE
- ☒ FALSE
- ☐ probably true
- ☐ likely false

Q62 The ongoing reconfiguration of natural capital in the natural system means that the system also acts as a _____ process

- ☐ cycling
- ☐ circular

- ☐ circulating
- ☐ recycling

Q63 Humans can exist in isolation of the natural system because all economic (even non-economic) activities of man are not connected with the various other living and nonliving endowments of nature.

- ☐ TRUE
- ☐ FALSE
- ☐ probably true
- ☐ likely false

Q64 The by-products of an economic reconfiguration process is referred to as waste.

- ☐ TRUE
- ☐ FALSE
- ☐ probably true
- ☐ likely false

Q65 One characteristics of the human economy is that it produces intended useful product and some _____.

- ☐ by-products
- ☐ raw materials
- ☐ finished products
- ☐ commodities

Q66 Which of the following resource is NOT regarded as natural capital?

- ☐ arable land
- ☐ hunting
- ☐ mineral fuels
- ☐ non-fuel minerals

Q67 The natural environment could be defined as physical, chemical, and biological surroundings that comprise the Earth's endowment of _____ systems

- ☐ life-support
- ☐ living
- ☐ leaving
- ☐ support

Q68 The importance of land resource lies in the fact that it is the source of all our vital requirements EXCEPT _____.

- ☐ building materials
- ☐ , minerals (rocks)
- ☐ fuels
- ☐ marriage

Q69 What is another name for Water Environment?

- ☐ Hydrozine
- ☐ Hydrospower
- ☐ Hydrosphere
- ☐ Hydraulic

Q70 A major layer in the atmosphere is the _____ layer which protects human, plants and other

animals from hazardous radiation from the sun.

- ☐ zone
- ☐ zonal
- ☐ ozone
- ☐ jone

Q71 The atmosphere contains life-supporting _____ for plants and animals

- ☐ gas
- ☐ gasses
- ☐ gass
- ☐ gassis

Q72 The atmosphere reaches over _____ kilometre from the surface of the earth

- ☐ 510
- ☐ 530
- ☐ 520
- ☐ 550

Q73 What is another name for the Air Environment?

- ☐ Heaven
- ☐ Environment
- ☐ Atmosphere
- ☐ Natural

Q74 there are other two aspects that impact on the natural environment, these are: (a) Anthrosphere (b) _____ environment

- ☐ Social
- ☐ natural
- ☐ religious
- ☐ cultural

Q75 The structure of the _____ can be described in terms of its interdependent components, namely air, water, land living system and social structure

- ☐ social
- ☐ natural
- ☐ society
- ☐ environment

Q76 The ultimate limits to environmental resource availability are imposed by _____.

- ☐ government
- ☐ culture
- ☐ nature
- ☐ people

Q77 Which of the following is not addressed in environmental economics?

- ☐ The need to re-establish the disciplinary ties between ecology and economics.
- ☐ The ease associated with assigning ownership right to environmental resources.
- ☐ The difficulties associated with assigning ownership right to environmental resources.
- ☐ The causes of environmental degradation.

Q78 As a sub discipline of economics, environmental economics originated early years of the so-called environmental _____.

- ☐ philosophy
- ☒ movement
- ☐ sustainability
- ☐ advocacy

Q79 In order to account for the environmental impact of _____ activities

- ☐ cultural
- ☐ social
- ☐ business
- ☒ economic

Q80 Why did the classical and neo-classical economists underestimated the environmental issues of production and consumption?

- ☒ They considered these as social issues
- ☐ They considered these as political issues
- ☐ They considered these as traditional issues
- ☐ They considered these as cultural issues