

Date: January 15, 2004

This exam has a total possible point score of 12 - 10 for questions and 1 for each of Name and Student ID

Quiz 1 - Econ 101 section 5 - Spring 2004**Completion**

Complete each sentence or statement.

1. A **critical** assumption is one which will affect the conclusions of a given model in an important way.
2. For the equation: $Y=0.5*X +10$ where Y is on the vertical (up and down) axis and X is on the horizontal (side to side) axis, the slope of the line is **0.5** and the Y intercept is **10**.

Short Answer

3. What is the study of choice under conditions of scarcity? **__Economics**
4. What type of statement is in reference to value judgments, and suggests how to solve problems? **__Normative**
5. What do economists use to simplify complex economic markets and systems to make them easier to understand? **__(economic) models**
6. What do we call the skills and knowledge used in the production of goods and services that are embedded in a persons mind? **__Human Capital**
7. What word would best describe items like machines, buildings used in the production of goods and services? **__Physical Capital**
8. What type of assumption will make a model simpler without affecting the major conclusions derived from the model? **__Simplifying Assumption**
9. What type of economics is concerned with “what is” going on in an economy rather than what “should be” happening? **__Positive (economics)**
10. In the following graph what is the slope of the line over the range from A to B? **__3**

