

*modules 46-48*

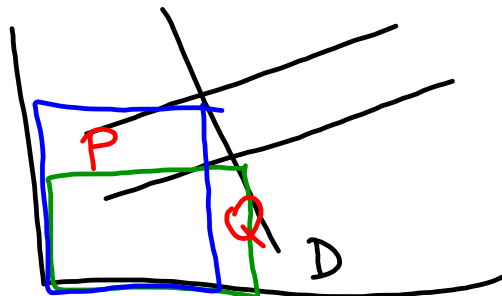
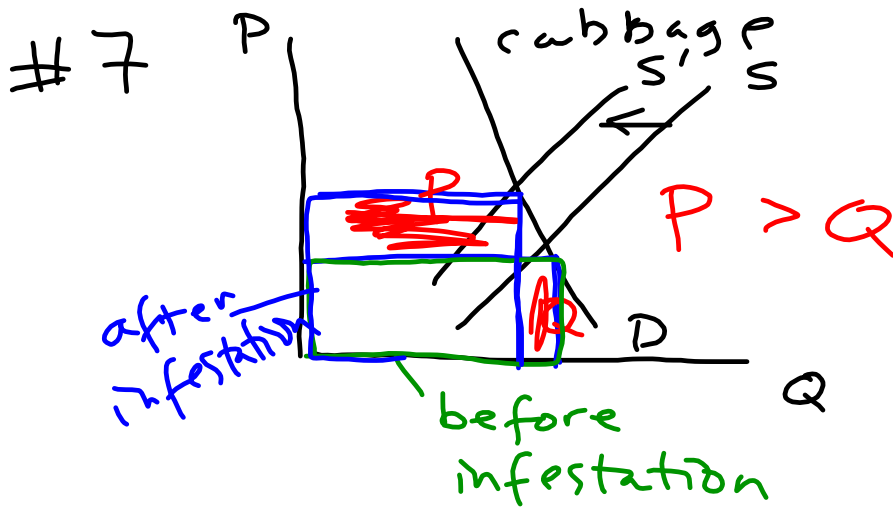
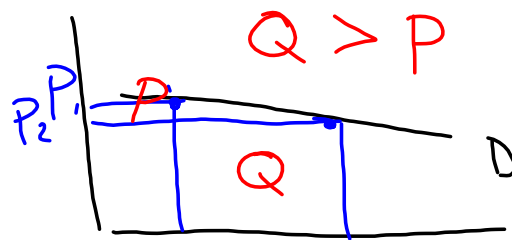
1. ANS: C PTS: 1 DIF: M REF: Module 46/10  
MSC: Concept-Based
2. ANS: C PTS: 1 DIF: M REF: Module 46/10  
MSC: Critical Thinking
3. ANS: B PTS: 1 DIF: E REF: Module 47/11  
MSC: Definitional
4. ANS: D PTS: 1 DIF: M REF: Module 47/11  
MSC: Concept-Based
5. ANS: B PTS: 1 DIF: M REF: Module 47/11  
MSC: Critical Thinking
6. ANS: E PTS: 1 DIF: M REF: Module 47/11  
MSC: Concept-Based
7. ANS: B PTS: 1 DIF: M REF: Module 47/11  
MSC: Analytical Thinking
8. ANS: A PTS: 1 DIF: E REF: Module 48/12  
MSC: Critical Thinking
9. ANS: D PTS: 1 DIF: E REF: Module 48/12  
MSC: Definitional

10. ANS: E PTS: 1 DIF: M REF: Module 48/12  
MSC: Concept-Based
11. ANS: C PTS: 1 DIF: M REF: Module 46/10  
MSC: Analytical Thinking
12. ANS: C PTS: 1 DIF: M REF: Module 46/10  
MSC: Concept-Based
13. ANS: D PTS: 1 DIF: M REF: Module 46/10  
MSC: Concept-Based
14. ANS: E PTS: 1 DIF: M REF: Module 47/11  
MSC: Critical Thinking
15. ANS: E PTS: 1 DIF: M REF: Module 47/11  
MSC: Fact-Based
16. ANS: D PTS: 1 DIF: E REF: Module 48/12  
MSC: Definitional
17. ANS: A PTS: 1 DIF: E REF: Module 48/12  
MSC: Fact-Based

#1  $\frac{15\% \Delta Q}{20\% \Delta P}$  response (effect)  
stimulus (cause)

#3  $\frac{\Delta Q}{\Delta P}$  ← response of Q demanded  
← price of good

#5 "elastic"  $|E| > 1$   
"inelastic"  $|E| < 1$



#8 cross-price elasticity of  
electricity to price of  
natural gas = 0.2

$$\begin{array}{l} \text{electricity} \rightarrow \\ \text{nat gas} \rightarrow \end{array} \frac{\Delta Q}{\Delta P} = 0.2$$

positive  $\rightarrow$  substitutes  
negative  $\rightarrow$  complements

#13 all subst except.

(d) b/c she does not

"substitute" the rent for  
the magazine. She  
just feels poorer  
so drops the mag.