

1. ANS: E PTS: 1 DIF: E REF: Module 76/40
MSC: Concept-Based
2. ANS: D PTS: 1 DIF: M REF: Module 76/40
MSC: Definitional
3. ANS: D PTS: 1 DIF: M REF: Module 76/40
MSC: Critical Thinking
4. ANS: D PTS: 1 DIF: M REF: Module 76/40
MSC: Critical Thinking
5. ANS: A PTS: 1 DIF: M REF: Module 77/41
MSC: Concept-Based
6. ANS: D PTS: 1 DIF: M REF: Module 77/41
MSC: Concept-Based
7. ANS: B PTS: 1 DIF: M REF: Module 78/42
MSC: Concept-Based
8. ANS: E PTS: 1 DIF: M REF: Module 78/42
MSC: Concept-Based
9. ANS: D PTS: 1 DIF: E REF: Module 78/42
MSC: Definitional
10. ANS: B PTS: 1 DIF: M REF: Module 78/42
MSC: Fact-Based
11. ANS: A PTS: 1 DIF: M REF: Module 78/42
MSC: Definitional

Figure 76-2: Traffic Lights in Sleepytown

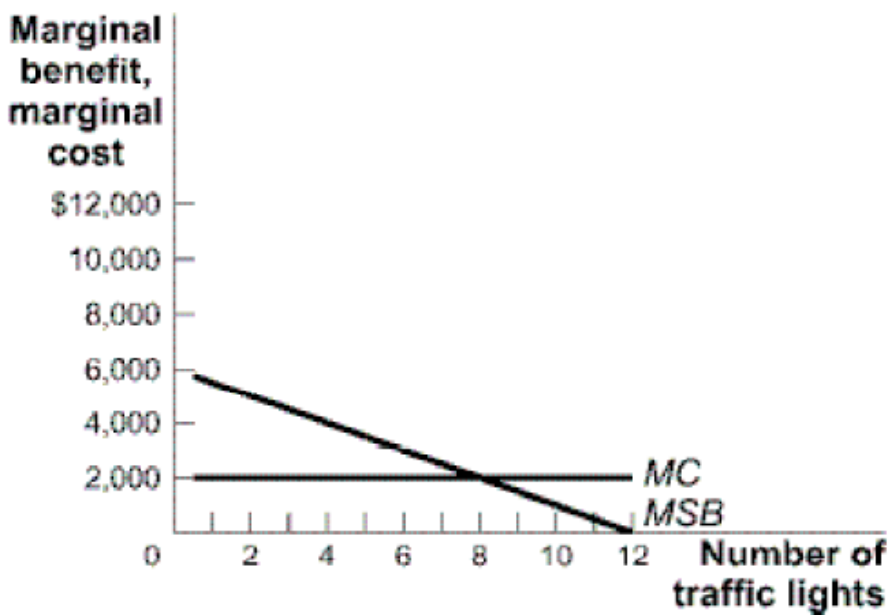
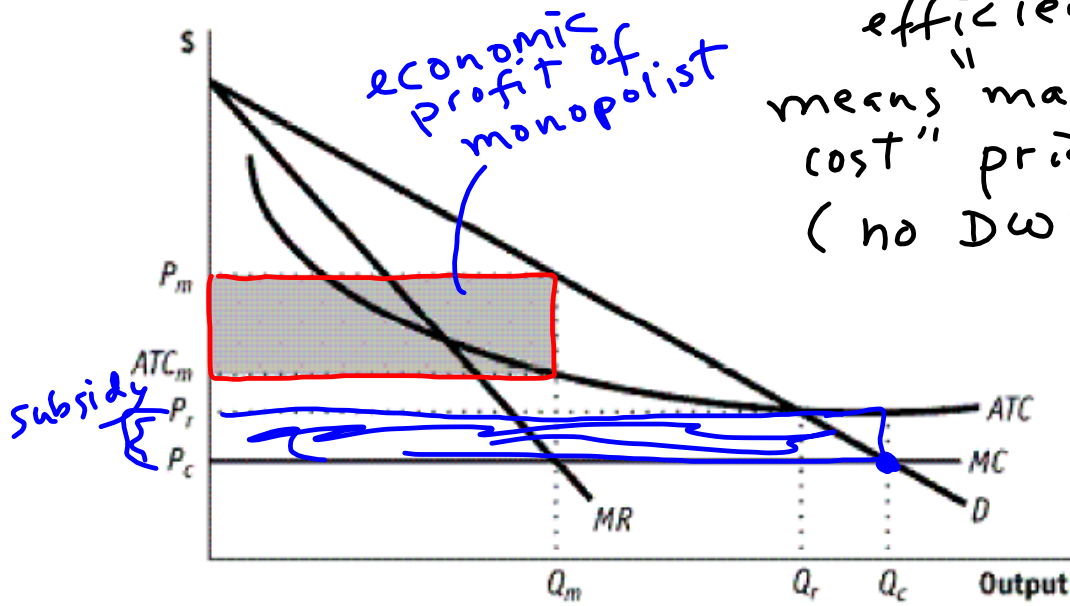


Figure 77-1: Natural Monopoly

#5 "socially efficient" means "marginal cost" pricing (no DWL)



transfers :

directly from government to households with nothing done by households in return