

Homework 1

Due on 17/1/2023, by 23:00

This assignment is optional but **STRONGLY RECOMMENDED**. If you do not submit the answers till the deadline, the score of your final exam will substitute for the score for this assignment. Submit only the correct letter for each task on eLearn under 'Quizzes' within 'COR2100-Economics and Society G9-10-11-12'. Note that the actual text of questions and answers is not supposed to appear on the eLearn quiz. You have unlimited attempts. The system is programmed to credit your last attempt. Be informed that if you submit an attempt and afterwards you re-open the quiz, you must submit your answers **AGAIN**. Otherwise, the system will grade the unfinished attempt with 0 (because it is the last one) and there is **NOTHING** I can do to fix this after the fact. Late homework or homework submitted outside eLearn cannot be accepted as this would violate SMU official policy for fairness and transparency in grading. This assignment is protected by Grade Insurance™: If the assignment's average turns out to be below 75, an equal amount of bonus points will be given to every work, for the average to become 75. Direct any homework questions to your TA.

1. According to the course FAQ document that can be downloaded from the course website, which of the following should a student read before attending each lecture?
 - A. The corresponding chapters of the main textbook.
 - B. The slides and assigned reading material.
 - C. Relevant videos on YouTube and TikTok.
 - D. Nothing at all. The course has been designed so that the lecture will be the student's first contact with the material.
2. According to the course FAQ, why are students recommended to take notes during the lectures?
 - A. Overall, note-taking saves the students time from their study at home.
 - B. Note-taking keeps the brain alert during the lecture.
 - C. Note-taking trains the brain in abstracting and multitasking.
 - D. All of the above.
3. According to the course FAQ, what is the reason for not allowing the use of laptops during the lecture?
 - A. Taking notes using a keyboard is inefficient in economics because of notation, math and graphs.
 - B. Laptop may be a source of distraction for the student.
 - C. Laptop may be a source of distraction for others.
 - D. All of the above.
4. According to the course FAQ, which of the following is true regarding homework assignments?
 - A. Homework is optional. The score of a student's final exam will substitute the score of missed assignments (if any).
 - B. Students must opt out of a homework assignment if they cannot submit it.
 - C. Students have to update the instructor if they cannot submit an assignment.
 - D. Homework is mandatory.
5. Why is it a bad idea to **NOT** submit homework assignments in this course?
 - A. Homework nudges you to study the material while it is still fresh.
 - B. Homework can alert you for segments of material that you do not really master.
 - C. Homework lessens the total workload of the course instead of increasing it.
 - D. Students who submit homework perform much better in the course in comparison to those who skip the homework.
 - E. All of the above.

6. According to the course FAQ, are students allowed to ask questions during class?
- A. No, questions make them look clueless in front of their fellow students.
 - B. No, interrupting the professor is rude.
 - C. Yes, whenever there is something that you do not understand, feel free to ask.
 - D. Yes, but only after the end of the lecture.
7. According to the course FAQ, which of the following may be a source of discomfort for you in E&S?
- A. Some of the class examples will be about your personal life.
 - B. The lecture is politically incorrect.
 - C. The course is hard and many students become disappointed and drop out.
 - D. The course often requires out-of-the-box thinking.
8. According to the course FAQ, in which way does assessment in Economics differ from the assessment in other subjects?
- A. Questions in Economics are simple to understand and solve.
 - B. Questions in Economics are hard to understand and solve.
 - C. Questions in Economics are simple to understand but hard to solve.
 - D. Questions in Economics are hard to understand but simple to solve.
9. Given the Grade Insurance that applies in this course, which of the following is true, if the average in this assignment is 66?
- A. If a student scores 60, his insurance adjusted score will be 75.
 - B. If a student scores 60, his insurance adjusted score will be 69.
 - C. If a student scores 80, her insurance adjusted score will be 80.
 - D. All students below 75, will receive 75; all students above 75, will not have their grade adjusted.
10. Assume that you have submitted your attempt on e-Learn for this assignment but, then, you do not remember if you answered "D" in task 7. So, you start a 'new attempt' to check your answers and you confirm that you indeed answered "D", thus, you do not need to submit your answers again. Which of the following will happen according to the instructions of this assignment?
- A. You will receive 0 for the assignment because the new empty attempt is now your most current attempt and this cannot be changed.
 - B. You will receive the score of your original attempt for the assignment because the new empty attempt will be automatically erased.
 - C. You will receive the score of your original attempt for the assignment because the instructor will manually erase your new empty attempt.
 - D. You will receive the score of your original attempt minus the points from task 7.
11. Which of the following concepts is most likely to be related to the existence of scarce resources in our society?
- A. Marginal utility.
 - B. Marginal cost.
 - C. Opportunity cost.
 - D. Economic cost.
 - E. Ceteris paribus.

12. Which of the following is/are micro variable/s?
- The total production of all goods and services in the US.
 - The number of employees in the French national food industry.
 - The average level of prices in Singapore.
 - All of the above.
13. Which of the following is/are macro variable/s?
- The Chinese national volume of imports of mobile phones.
 - The Swedish national production of agricultural goods.
 - The inflation rate in Turkey.
 - The unemployment rate in the natural gas sector in Russia.
 - None of the above.
14. What is the fallacy of composition?
- The belief that if something happens after something else, it means that the former has been caused by the latter.
 - The belief that we are able to assign units of utility to various alternative choices, in order to rank them for individuals or households.
 - The belief that if we choose A over B, with A having a higher opportunity cost than B, then we are choosing the wrong thing.
 - None of the above.
15. Which of the following is most likely to be a scarce resource?
- Palladium.
 - Air.
 - Sea water.
 - Carbon dioxide.

w	0	\$10K	\$20K	\$30K	\$40K	\$50K	\$60K	\$70K
U	0	200	350	475	575	650	700	725

Table 1.1: Monthly wage (w) of an employee vs. total utility (U) from consumption.

16. According to table 1.1, what is the marginal utility of the employee when w increases from \$40K to \$50K?
- Around 10.
 - Around 50.
 - Around 80.
 - Around 200.
17. According to table 1.1, at which level of w is the employee's average utility per dollar minimum?
- At around \$10K.
 - At around \$30K.
 - At around \$50K.
 - At around \$70K.

18. Isabella has to decide on where to go on vacation: Bali gives her utility equal to 150; Greece gives her utility equal to 200; How much is her opportunity cost of choosing Southern France?
- A. Around 150.
 - B. Around 200.
 - C. Around 350.
 - D. There is not enough information to tell.

Scenario 1.1: The demand t-shirts is $p = 110 - 4q$, where q denotes the quantity of t-shirts and p the price per t-shirt. Accordingly, the supply of t-shirts is $p = -10 + 2q$.

19. According to scenario 1.1, at which quantity of t-shirts do supply and demand intersect?
- A. Around 10 t-shirts.
 - B. Around 20 t-shirts.
 - C. Around 30 t-shirts.
 - D. Around 40 t-shirts.
20. According to scenario 1.1, at which price per t-shirt do supply and demand intersect?
- A. Around \$10.
 - B. Around \$20.
 - C. Around \$30.
 - D. Around \$40.

Good afternoon! If you had a chance to take a red pill and automatically wake up on the morning of your graduation being able to receive the SMU Bachelor's degree without having to go through any classes and nobody would ever know about it, would you take it? What is the primary reason you enrolled in SMU? The degree or the knowledge? Have you ever observed those around you who have already succeeded in whatever you want to succeed? What mattered more in their success: their knowledge and experiences or their titles? Why will an employer hire you one day: for your skillset or for the diplomas? Why will a potential customer give you their business: just because you are a university graduate? Why will your friends appreciate your company: for your intellectual capacity or because you have an SMU alumnus? Think about those questions. The answers may help you understand where you are heading in life. Kosmas