

# Homework 1

Due on 21/1/2025, 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 G10-11-12-13'. 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** or else 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 that can be downloaded from the course website, which of the following is true regarding homework assignments?
  - A. Homework is mandatory.
  - B. Students have to inform the instructor if they cannot submit an assignment.
  - C. Homework is optional. Students' final exam score will automatically replace the score of every missed assignment.
  - D. Students must opt out of a homework assignment if they cannot submit it.
2. According to the course FAQ, why is it beneficial to submit homework in this course?
  - A. Students who submit homework perform much better in the course in comparison to those who skip the homework.
  - B. Homework nudges you to study the material while it is still fresh.
  - C. Homework plays a key role in your preparation for the course.
  - D. All of the above.
3. According to the course FAQ, can you use a laptop during the lecture?
  - A. You may use but it will be cumbersome in notetaking because of complex notation and graphs.
  - B. You must because it is the optimal tool to keep notes.
  - C. Laptops are not allowed during the lecture.
4. According to the course FAQ, are students allowed to ask questions during class?
  - A. Yes, but only after the end of the lecture.
  - B. Yes, whenever there is something that you do not understand, raise your hand and ask.
  - C. No, interrupting the professor is rude.
  - D. No, questions make them look clueless in front of their fellow students.
5. According to the course FAQ, which of the following you may NOT like in this course?
  - A. The course is difficult, and many students become disappointed and drop out.
  - B. The course often requires out-of-the-box thinking.
  - C. Some of the class examples will be about your personal life.
  - D. The lecture is politically incorrect.

6. According to the course FAQ, in which way does the assessment in Economics differ from the assessment in other subjects?
- A. Questions in Economics are easy to understand and solve.
  - B. Questions in Economics are difficult to understand and solve.
  - C. Questions in Economics are difficult to understand but easy to solve.
  - D. Questions in Economics are easy to understand but difficult to solve.
7. 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 69.
  - B. If a student scores 60, his insurance-adjusted score will be 75.
  - 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.
8. What will happen if you submit a homework assignment on eLearn and then you reopen it to double-check one of your answers without resubmitting a new attempt?
- A. You will receive the score of your original attempt because the new empty attempt will be automatically erased.
  - B. You will receive the score of your original attempt because the instructor will manually erase your new empty attempt.
  - C. You will receive 0 because your latest attempt is empty and this cannot be changed.
9. According to the course FAQ, where can I find the slides for the video tutorials and the video lectures?
- A. They are posted on the website.
  - B. They are posted on Telegram.
  - C. They are available for download down at the YouTube description of each video.
  - D. All of the above.
10. According to the course FAQ, suppose that a student fails to understand the right answer for a homework task even when she reads it from the answer key. Which of the following is most likely the reason for this?
- A. The question is not well written.
  - B. The answer key is not well written.
  - C. She did not read the question carefully.
  - D. She did not read the answer carefully.
  - E. She has failed to grasp or she has completely missed the part of the material that this task examines.
11. Most SMU students belong to which of the following categories of economic actors?
- A. Households.
  - B. Firms.
  - C. Government.
12. Ryan must choose among three jobs: the first pays \$150 per day; the second pays \$110 per day; the third pays \$80 per day. How much is his opportunity cost of choosing the first job?
- A. Around \$40 per day.
  - B. Around \$110 per day.
  - C. Around \$150 per day.
  - D. Around \$190 per day.

13. In which of the following is “ceteris-paribus” useful?
- To test the validity of economic theories by varying several factors systematically.
  - To forecast outcomes by changing variables randomly.
  - To isolate the impact of a specific economic variable on a system.
  - To distinguish between correlation and causation.
14. Which of the following is an example for the fallacy of composition?
- The best football team is the one with the best players.
  - He likes all breads, so he should like sourdough.
  - If you are taller than average, you are also heavier than average.
  - The Pythagorean theorem is true for right triangles, so it should be true for all triangles.
15. Which of the following is an example for the post hoc ergo propter hoc fallacy?
- When an object moves, some force has been applied to it.
  - When I study, I receive high grades.
  - Cigarette smoking may cause lung cancer.
  - Difference in personal finance mentality is an important factor in many failing marriages.
  - None of the above.
16. Which of the following is a scarce resource?
- Carbon dioxide.
  - Human stupidity.
  - Sea water.
  - The English language.
  - None of the above.

$Q$	0	1	2	3	4	5	6	7	8
$TC$	0	\$1M	\$1.8M	\$2.5M	\$3M	\$3.4M	\$3.7M	\$4M	\$4.2M

**Table 1.1:** The daily production ( $Q$ ) of Ferrari cars and total cost of production ( $TC$ ).

17. According to table 1.1., how much is the marginal cost of the 7th Ferrari?
- Around \$0.
  - Around \$0.3M.
  - Around \$0.6M.
  - Around \$1M.
  - Around \$4M.

**\*Numerical MCQs in the course will usually offer approximate alternative answers (around 20, around 30, etc.) to not give away the correct answer.**

18. According to table 1.1., how much is the average cost of 6 Ferrari cars?
- Around \$0.
  - Around \$0.3M.
  - Around \$0.6M.
  - Around \$1M.
  - Around \$3.7M.

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

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19. According to scenario 1.1, at which quantity of headsets do supply and demand intersect?

- A. Around 20 headsets.
- B. Around 40 headsets.
- C. Around 60 headsets.
- D. Around 80 headsets.

20. According to scenario 1.1, at which price do supply and demand intersect?

- A. Around \$15.
- B. Around \$30.
- C. Around \$45.
- D. Around \$60.

*Good afternoon! One of the most valuable skills you will acquire in college is notetaking. Contrary to what many believe, taking notes is not at all a trivial task. It requires simultaneous use of the most complex brain activities such as listening, reading, comprehending, abstracting and writing. That is why notetaking is difficult for the untrained brain, but as you practice it, it will make you smarter and faster. If you look around you, you will realize that notetaking is a common habit of successful people. Country presidents, prime ministers, CEOs, top artists and even athletes take notes at an everyday basis. If you watch some of the fiercer past presidential debates on YouTube, you will realize that when one of the candidates speaks, the other –mostly off camera– always takes notes. When you attend or watch a lecture the content of which you must later learn, it is imperative that you take good notes of what is going on. It requires work but later it will save you tons of time because you will have everything in a few pages. Time is the most valuable resource for all successful individuals. Do not waste it by not taking notes.*

*Kosmas*