

Mgt 704: Economics for Managers
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First Quiz

Name: _____

This is a true-false and why examination with each question worth five points. There is one point for the correct response and four points for the correct reason(s). Be brief, but not vague. Feel free to illustrate your answer with a graph. However, each answer should include a sentence. **Include a definition of all the underlined economic terms in your answers.** If you find any of these questions confusing or ambiguous, do not hesitate to ask me for clarification.

T F 1. The only cost of your EMBA program is the tuition that you are paying.

T F 2. It has been shown that increased unionization has been the key to the increase in the overall standard of living in most countries.

T F 3. The circular flow diagram illustrates two sets of decision makers interacting in two markets.

T F 4. An increase in income would be expected to increase the demand for all individual goods.

T F 5. An increase in supply would be expected to increase the equilibrium quantity and price in a market.