

**Economics 121 Midterm, 3/16/2009, Multiple Choice Section
Answer Section**

MULTIPLE CHOICE

- | | | | | |
|-----|-----------------------------|--------|-----------|-----------------------------|
| 1. | ANS: D
MSC: Interpretive | DIF: 1 | REF: 15-1 | TOP: Barriers to entry |
| 2. | ANS: C
MSC: Interpretive | DIF: 1 | REF: 15-1 | TOP: Patents |
| 3. | ANS: A
MSC: Analytical | DIF: 2 | REF: 15-2 | TOP: Profit maximization |
| 4. | ANS: C
MSC: Analytical | DIF: 2 | REF: 15-3 | TOP: Total surplus |
| 5. | ANS: B
MSC: Analytical | DIF: 2 | REF: 15-3 | TOP: Profit maximization |
| 6. | ANS: D
MSC: Interpretive | DIF: 2 | REF: 15-4 | TOP: Antitrust |
| 7. | ANS: C
MSC: Interpretive | DIF: 2 | REF: 15-5 | TOP: Price discrimination |
| 8. | ANS: C
MSC: Interpretive | DIF: 2 | REF: 15-5 | TOP: Price discrimination |
| 9. | ANS: C
MSC: Definitional | DIF: 1 | REF: 16-2 | TOP: Collusion |
| 10. | ANS: B
MSC: Definitional | DIF: 1 | REF: 16-2 | TOP: Collusion |
| 11. | ANS: C
MSC: Applicative | DIF: 2 | REF: 16-3 | TOP: Dominant strategy |
| 12. | ANS: B
MSC: Applicative | DIF: 2 | REF: 16-3 | TOP: Nash equilibrium |
| 13. | ANS: D
MSC: Applicative | DIF: 2 | REF: 16-3 | TOP: Cartels |
| 14. | ANS: D
MSC: Applicative | DIF: 2 | REF: 16-3 | TOP: Cartels |
| 15. | ANS: D
MSC: Interpretive | DIF: 2 | REF: 16-3 | TOP: Nash equilibrium |
| 16. | ANS: D
MSC: Interpretive | DIF: 2 | REF: 16-3 | TOP: Nash equilibrium |
| 17. | ANS: C
MSC: Applicative | DIF: 2 | REF: 16-3 | TOP: Game theory |
| 18. | ANS: A
MSC: Interpretive | DIF: 1 | REF: 22-1 | TOP: Asymmetric information |
| 19. | ANS: C
MSC: Interpretive | DIF: 2 | REF: 22-1 | TOP: Moral hazard |
| 20. | ANS: D
MSC: Interpretive | DIF: 2 | REF: 22-1 | TOP: Moral hazard |
| 21. | ANS: A
MSC: Interpretive | DIF: 1 | REF: 22-1 | TOP: Adverse selection |

22.	ANS: A MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
23.	ANS: D MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
24.	ANS: A MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
25.	ANS: C MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
26.	ANS: B MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
27.	ANS: B MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
28.	ANS: B MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
29.	ANS: A MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
30.	ANS: A MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
31.	ANS: B MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
32.	ANS: A MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling
33.	ANS: A MSC: Interpretive	DIF: 2	REF: 22-1	TOP: Signaling