

Econ 101 Class 3 Questions

1. On Saturday morning, you have decided to wash, wax, and detail your car. The improvements to your car's appearance are worth \$50 to you. You have decided to do the work yourself because the next best use of your time is working a morning shift at your job for \$30. Now a friend suggests a fun outing that will take all morning. Your opportunity cost for that outing is...
  - A. \$0
  - B. \$20
  - C. \$30
  - D. \$50\*\*
  
2. I have read the syllabus for Econ 101 Section 008 and agree to abide by the course rules.
  - A. Yes \*\*
  - B. No
  
3. In one eight hour work day, Sam can wax 4 cars or wash 12 cars. Ari can wax 3 cars or wash 6 cars. Which of the following is true? Sam's cost of washing one car is ...
  - A. Greater than Ari's Cost of washing a car.
  - B. One third of a waxed car. \*\*
  - C. Three waxed cars.
  - D. One half of a waxed car.
  
4. Many corporations provide their CEOs with a personal assistant who accomplishes both business and personal tasks. Which of the following is closest to your view? Shareholders should...
  - A. Oppose the practice because it lowers firm profits and shareholder dividends.
  - B. Oppose the practice but acknowledge that CEOs expect to have a personal assistant.
  - C. Approve the practice because it amounts to tax free compensation for the CEO.
  - D. Approve the practice because it frees the CEO to perform more important tasks.
  
5. Which survivor should be the first assigned to pick berries?

	Jean	Joe	Jerry	Jack
Fish (lbs)	4	3	2	1
Berries (lbs)	1	2	3	4

- A. Jean
- B. Joe
- C. Jerry
- D. Jack \*\*