

Prof. Kushner

Name: MASTER

Tutorial No. (or date and time): _____

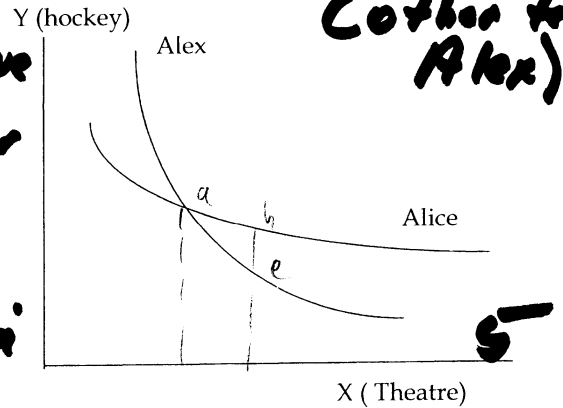
Student Number _____

Tutorial Instructor _____

NOTE: All work must be shown on the paper; otherwise the mark will be zero. Whenever possible, use diagrams to illustrate your answer.

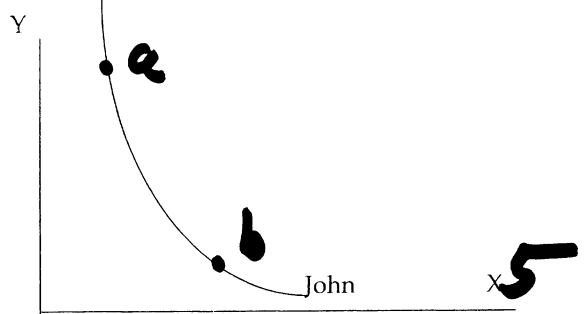
Who likes hockey more, Alice or Alex? Carefully explain using the diagram.

Alex has steeper curve
 $\therefore MRS_{Alex}$ is higher
 \therefore Alex willing to give up more hockey to obtain 1 theatre



Carefully explain why John's indifference curves are convex to the origin.

Due to dim MRS.



at a, lots of Y
 little X

$$\therefore MRS_a \equiv \frac{\Delta Y}{\Delta X} = \frac{MU_X}{MU_Y} = \frac{\text{high } \#}{\text{low } \#} \Rightarrow \text{high } \#$$

at b, little Y, lots X

$$\therefore MRS_b \equiv \frac{\Delta Y}{\Delta X} = \frac{MU_X}{MU_Y} = \frac{\text{low } \#}{\text{high } \#} \Rightarrow \text{low } \#$$

$$\therefore MRS_a > MRS_b$$

\therefore CONCAVE

BROCK UNIVERSITY
ECONOMICS 2P23- 2008 Fall Term
Test # 4

Prof. Kushner

Name: _____

Tutorial No. (or date and time): None

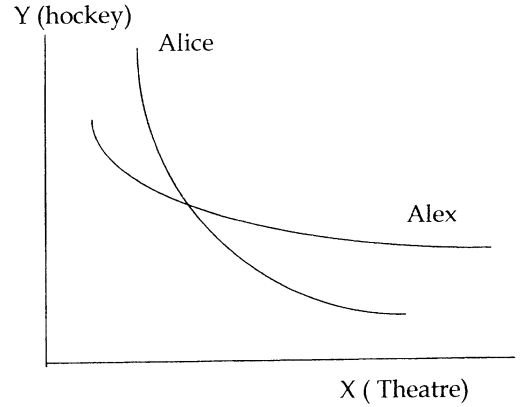
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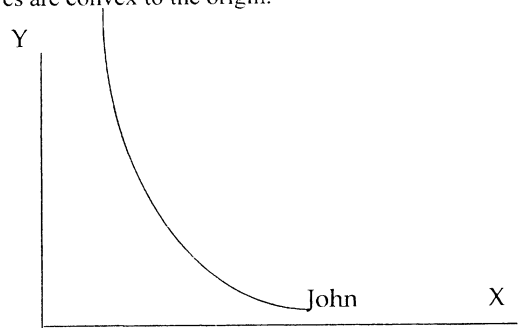
Who likes hockey more, Alice or Alex? Carefully explain using the diagram. Alex

Alice has steeper curve
MRS_{Alice} is higher
Alice is willing to give up
more hockey to obtain 1 theatre



Carefully explain why John's indifference curves are convex to the origin.

Same as an other
version



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ECONOMICS 2P23, Fall 2008
Quiz 4

7 Oct 2008

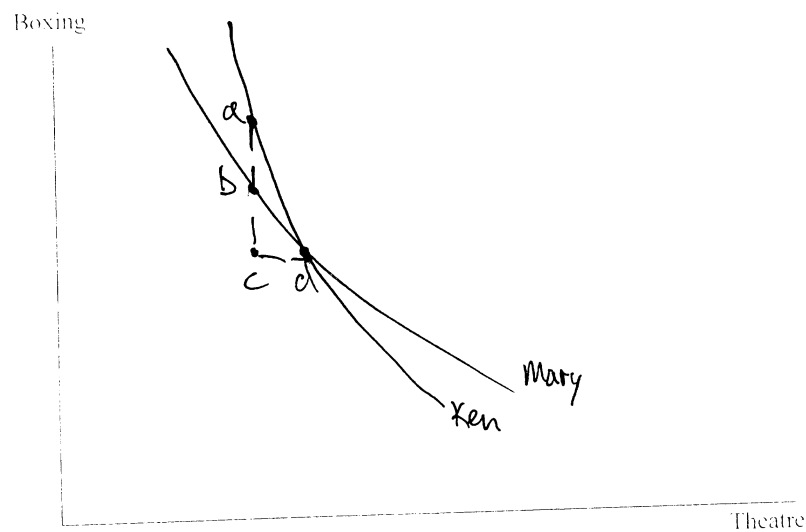
Prof. R. Koehn - Lec 3
(Tue, 1900-2200 hrs)

Name: Master Tutorial Day & Time: _____

Tutorial # _____ Student No.: _____

Note: All work must be shown on the paper; otherwise the mark will be zero. Whenever possible use diagrams to illustrate your answer.

Mary and Ken like boxing and theatre but, at the same bundle of boxing and theatre, Mary's indifference curve is flatter than Ken's. Therefore, in terms of tastes, Mary has a stronger liking for boxing than Ken. **True or False - explain.**



True.

Mary is less willing to give up boxing for the same amount of theatre than is Ken (compare a-b and a-c)

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ECONOMICS 2P23, Fall 2008
Quiz 4

7 Oct 2008

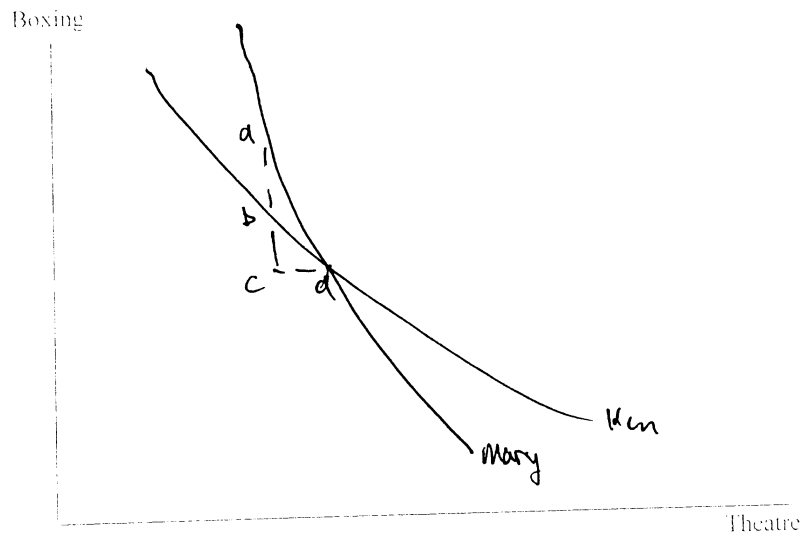
Prof. R. Koehn - Lec 3
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Note: All work must be shown on the paper; otherwise the mark will be zero. Whenever possible use diagrams to illustrate your answer.

Mary and Ken like boxing and theatre but, at the same bundle of boxing and theatre, Mary's indifference curve is steeper than Ken's. Therefore, in terms of tastes, Mary has a stronger liking for boxing than Ken. **True or False – explain.**



False

Mary is more willing to give up boxing for the same amount of theatre than is Ken (compare $a-b$ and $a-c$)