

Your Name: \_\_\_\_\_

## **Economics 132.02 – Spring 2013 – First Midterm Exam**

**Please tear off this sheet and write your name on the line above before handing it in.**

1.
  - a. Law of demand.
  - b. Supply schedule.
  - c. Quantity supplied.
  - d. Supply curve.
  - e. Quantity demanded.
  
2.
  - a. The demand curve shifts.
  - b. The curve shifts to the right.
  - c. The equilibrium price rises.
  - d. The equilibrium quantity rises.
  
3.
  - a. FALSE
  - b. TRUE
  - c. FALSE
  - d. TRUE
  
4.
  - a. G
  - b. C
  - c. NX
  - d. I

5.
  - a. Nominal GDP is 10 for 2010, 26 for 2011, and 45 for 2012.
  - b. Real GDP is 10 for 2010, 13 for 2011, and 15 for 2013.
  - c. The GDP deflator is 100 for 2010, 200 for 2011, and 300 for 2012.
  
6.
  - a. The basket costs \$10 in 2010, \$20 in 2011, and \$31 in 2012.
  - b. The CPI is 100 in 2010, 200 in 2011, and 310 in 2012.
  - c. The inflation rate is 100% in 2011 and 55% in 2012.
  
7.
  - a. Substitution bias.
  - b. Overstate.
  
8.
  - a. \$160,000
  - b. The worker who earned \$200,000 in 2012.
  
9.
  - a. Technological knowledge.
  - b. Physical capital per worker.
  - c. Natural resources per worker.
  - d. Human capital per worker.
  
10.
  - a. FALSE
  - b. FALSE
  - c. TRUE
  - d. TRUE