38. At ______ we have that we will continue to consume/produce

A. MC≠MB
B. MC>MB
C. MC<MB
D. MC=MB

39. At ______ we have to cut back on consumption/production

A. MC≠MB
B. MC>MB
C. MC<MB
D. MC=MB

40. The cost that has already been incurred and cannot be recovered.

A. Implicit Cost
B. Impartial Cost
C. Explicit Cost
D. Sunk Cost

41. When discussing reasons why people may choose a lower economic payoff, we find that: willingness to sacrifice some economic payoff in order to avoid a potential loss is an example of:

A. Concerns about fairness
B. Bounded rationality
C. Risk aversion

42. When discussing reasons why people may choose a lower economic payoff we find that: tipping, gifts, donations are examples of:

A. Concerns about fairness
B. Bounded rationality
C. Risk aversion

43. When discussing reasons why people may choose a lower economic payoff we find that: making a choice that is close to but not exactly the one that leads to the greatest possible economic payoff because the effort of finding the best payoff is too costly; the "good enough" method of decision-making is an example of:

A. Concerns about fairness
B. Bounded rationality
C. Risk aversion

44. Bruno can spend his income on two different goods: CD's and pencils. CDs cost $10 each, and pencils cost $2 each. Bruno has income of $60. He is considering a consumption bundle containing 3 CDs and 15 pencils.

A. ~~Bruno can afford his bundle with his budget~~
B. Bruno is under using his budget
C. Bruno cannot afford his bundle given his budget

45. At the optimal consumption bundle, the slopes of the budget line and the indifference curve (IC) are equal.

A. True
B. False