ECO101H1S L101, L201: Principles of Microeconomics

Midterm 2, Winter 2022

MULTIPLE CHOICE QUESTION BOOKLET

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Multiple Choice: Put your answers into the Bubble Sheet in the other booklet

1. [2 points] Consider a perfectly competitive market with downward-sloping Market Demand and Upward-sloping Market Supply. The government imposes a binding price floor. With this change, Consumer Surplus _____ and Producer Surplus _____

A decreases; could increase or decrease