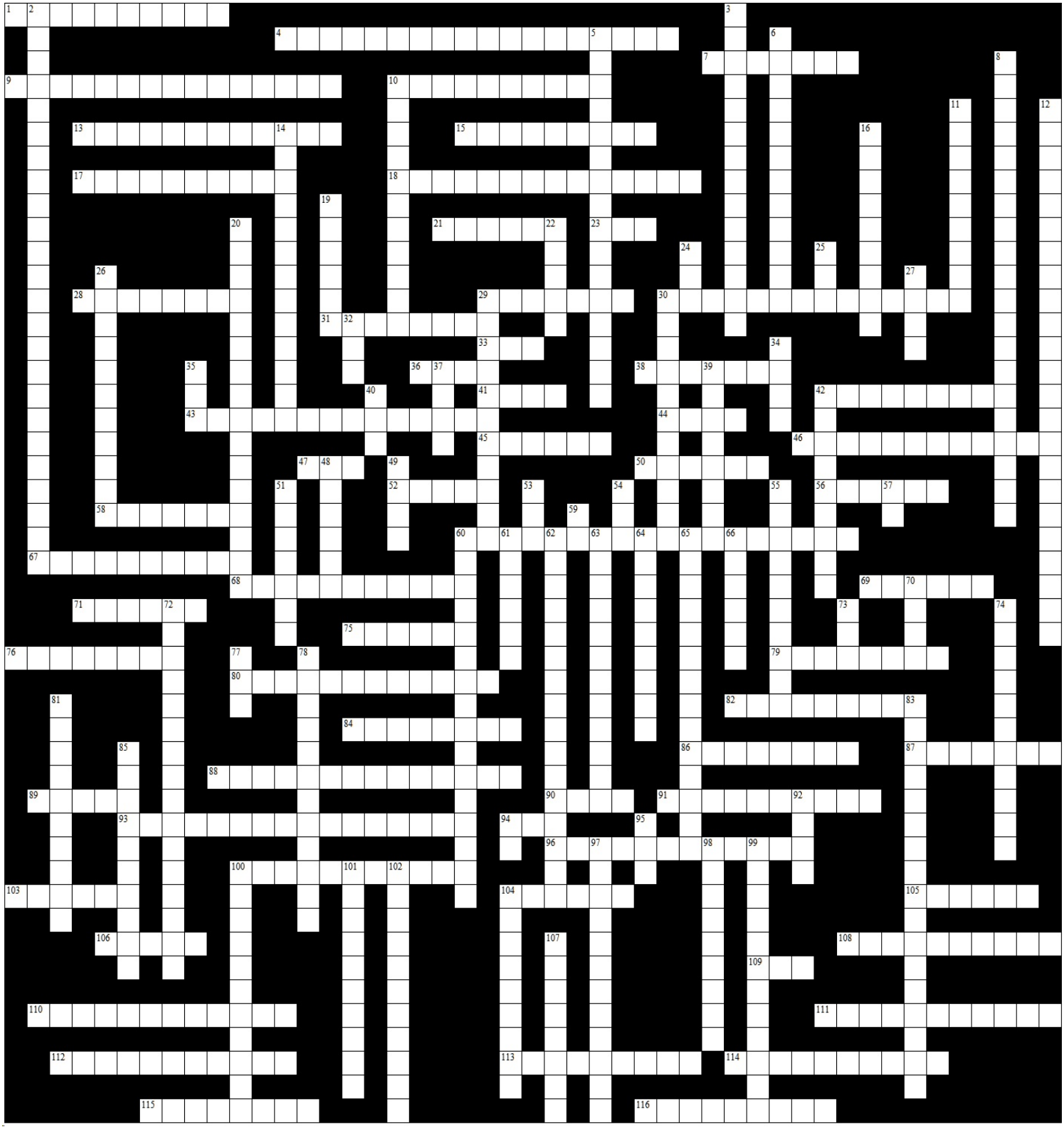
**Crossword, Economics 121, Chs. 1-10, Spring 2010**



**ACROSS**

1 the price, quantity demanded relationship is positive (6,4)
4 % change in quantity demanded of a good or service due to a % change in price is larger than the % change in the price of that good or service (5,7,6)
7 characteristic of a good such that the use or consumption of the good precludes others from using or consuming the good
9 published in 1776
10 legally binding minimum price (5,5)
13 legally binding maximum price (5,7)
15 author of the invisible hand argument (4,5)
17 use of resources to produce goods or services
18 exists when the profit maximizing output of a seller occurs at a level less than the level associated with minimum average cost (6,8)
21 home of economics/finance department
23 minimum when average product of an input is maximized (1,1,1)
28 wrote "The Theory of Imperfect Competition" in 1933
29 oligopoly consisting of two sellers
30 increase in the potential output of all goods and services (8,6)
31 quantity demanded exceeds quantity supplied at the prevailing price
33 change in external benefits due to a change in the level of an activity (1,1,1)
36 minimum compensation necessary to induce a person to supply another unit (1,1,1,1)
38 developed concept of comparative advantage
41 good example of a monopsony (1,1,1,1)
42 in such abundant supply that there is no opportunity cost to further use
43 shift of the demand curve as a result of something other than the price of the good (6,2,6)
44 % change in inputs is less than the % change in output (1,1,1,1)
45 MST Chancellor
46 quantity supplied exceeds quantity demanded at the prevailing price (6,6)
47 sum of the marginal private cost and marginal external cost (1,1,1)
50 favorite student watering hole
52 MST mascot
56 relationship between the quantity demanded of a good or service, per period, and the price of that good or service
58 quantity supplied exceeds quantity demanded at the prevailing price
60 benchmark economists use to evaluate the efficiency of markets (7,11)
67 right to a good is clearly defined and others can easily be excluded from its use
68 inefficient use of resources by buyers or sellers with market power to preserve that power (4,7)
69 relationship between the marginal minimum necessary compensation and the quantity supplied per period
71 relationship between the quantity demanded of a good or service, per period, and the price of that good or service
75 famous English economist, 1877-1959 (1,5)
76 period when at least one input to an outcome is fixed (5,3)
79 inability to satisfy all people's wants for goods and services
80 winner of 2003 American Solar Challenge (5,5,2)
82 inputs we use to make consumer and producer goods
84 costs of production not paid with money, but are costs (opportunity costs) nonetheless
86 Costs vary with the scale of output (8,5)
87 All factors of production are variable
88 relationship between the price of a good and the quantity of the good consumers are willing to buy per period (6,8)
89 acronym for demand determinants
90 Rolla pizza parlor
91 unit free relationship between a dependent variable, Y, and an independent variable, X
93 high degree of either nonexcludable or nonrivalry (5,6,5)
94 added cost of an action that accurse to the person that commits the action (1,1,1)
96 amount by which the amount bought by consumers changes in response to the implicit change in income caused by a change in the good's price, cp (6,6)
100 There is an inverse relationship between the price of a good and the quantity demanded (3,2,6)
103 group of firms that explicitly agree to set prices and/or to limit output

104 textbook author
105 resources available to produce what we want, typically classified as land, labor, capital, and entrepreneurial ability
106 wrote "Wealth of Nations" in 1776
108 an inability to make someone better off without making someone else worse off
109 added benefit of an action that accrues to the person that commits the action (1,1,1)
110 fundamental economic assumption about behavior
111 price of one and the demand for the other are directly related, c.p.
112 terms of a transaction leads to subsequent behavior less attractive than would occur without the transaction (5,6)
113 social science that studies decisions made under conditions of scarcity
114 a positive relationship between income and the demand for the good, cp (6,4)
115 price less than average variable cost (4,4)
116 single buyer in a market

**DOWN**

2 firm costs are inversely related to firm output (8,9,2,5)
3 problem when monitoring costs are present and workers pursue their own interests even if those interests are not those of the boss (9,5)
5 based on the effects of small changes in an economic variable (8,8)
6 set of means by which buyer-seller exchanges are made
8 horizontal summation of all perfectly competitive short-run marginal cost curves above average variable cost (5,3,6,6)
10 buyer or seller who can affect the market price by their decision to buy or sell (5,6)
11 argued that much advertising is inefficient
12 % change in quantity demanded of a good or service due to a % change in the price of that good or service cp (5,10,2,6)
14 policy taken such that private benefits or costs are adjusted so generators of externalities face the full social benefits or costs of their actions
16 pricing policy designed to drive one or more competitors out of business and/or discourage new entrants to a market
19 textbook author
20 buyer or seller who is a price taker (8,8)
22 ratio of rise over run for a straight line
24 declines as output produced increases (1,1,1)
25 total cost divided by quantity produced (1,1,1)
26 goods such that the price of one and the demand for the other are indirectly related
27 maximum any person is willing to pay for each successive unit (1,1,1,1)
29 representation of a demand schedule graphically with price measured on the vertical axis and quantity demanded per period on the horizontal axis (6,5)
30 price such that quantity demanded equals the quantity supplied
32 one of the three basic questions
34 benefits foregone
35 graphical representation of the production-possibilities function (1,1,1)
37 one of the three basic questions
39 one of the most important characteristics a student can bring to the study of any discipline including economics
40 local newspaper (1,1,1)
42 rule is to disregard (5,4)
48 MST holiday (2,4)
49 student funded and operated radio station
51 model of oligopoly where each firm chooses its output taking its rival's output as given
53 combinations of goods that a society's resources can produce at full employment in a particular period using the best technology and within the constrains of the society's institutions, traditions, and customs (1,1,1)
54 change in external costs due to a change in the level of an activity (1,1,1)
55 equals VC in the long-run (5,5)
57 maximum occurs when average variable cost is minimized (1,1)
59 marginal cost
60 per unit rebate for a good whose production or consumption generates a positive externality (9,7)
61 nobel prize winner in economics in 1991 (1,5)
62 operation of a firm or plant at the scale such that average cost is minimized (8,8)
63 Price times Quantity sold (5,7)

64 market structure with few sellers leading to interdependency
65 some things dear to life have a low price while other things, more or less superfluous, have a high price (7,2,5)
66 MST astronaut (1,5)
70 acronym for supply determinants
72 characteristic of a good such that a person can not be denied its benefits once it is provided
73 2003 winner American Solar Challenge (1,1,1)
74 wrote "The Theory of Monopolistic Competition" in 1933
77 sum of marginal private benefit and marginal external benefit (1,1,1)
78 addition to total cost of engaging in an additional unit of an activity (8,4)
81 characteristic of a good such that an additional person can benefit from its use without reducing the benefit to others using the good
83 alternative hypothesis to profit maximization (5,12)
85 profit maximization rule (2,6,2)
92 % change in inputs is equal to the % change in output (1,1,1,1)
94 change in total revenue divided by the change in quantity sold (1,1)
95 2003 winner American Solar Challenge (1,1,1)
97 industry whose long-run supply curve is horizontal (8,4)
98 rational decision when faced with a decision to buy a good with a high degree of nonexcludability (4,5)
99 opportunity cost exceeds total revenue (8,4)
100 There is an inverse relationship between the price of a good and the quantity demanded (3,2,6)
101 the instantaneous change of one quantity with respect to another
102 ability of the buyer or seller to manipulate the terms of trade, usually price, to their advantage (6,5)
104 price at which total revenue equals total cost (5,4)
107 market with only one seller