

MICROECONOMICS

Basic for
Dummies



**NURUL NADIA ABD AZIZ
HAFIZAL RAMLI**

MICROECONOMICS

Basic for Dummies

*Nurul Nadia Abd Aziz
Hafizal Ramli*

PENERBIT  **PRESS**
UNIVERSITI TEKNOLOGI MARA

© UiTM Press, UiTM 2020

All rights reserved. No part of this publication may be reproduced, copied, stored in any retrieval system or transmitted in any form or by any means; electronic, mechanical, photocopying, recording or otherwise; without prior permission in writing from the Director of UiTM Press, Universiti Teknologi MARA, 40450 Shah Alam, Selangor Darul Ehsan, Malaysia. E-mail: penerbit@uitm.edu.my

UiTM Press is a member of
MALAYSIAN SCHOLARLY PUBLISHING COUNCIL

Perpustakaan Negara Malaysia

Cataloguing-in-Publication Data

Nurul Nadia Abd. Aziz

MICROECONOMICS : Basic for Dummies / Nurul Nadia Abd Aziz, Hafizal Ramli.

ISBN 978-967-363-614-3

1. Microeconomics.

2. Economics.

3. Government publications--Malaysia.

I. Hafizal Ramli.

II. Title.

338.5

Cover Design : Arif Zulhimi Mohd Zin

Typesetting : Muhammad Noor Haikhmal M. Satar

Printed in Malaysia by: UiTM Printing Centre
Faculty of Art & Design
Universiti Teknologi MARA
40450, Shah Alam
Selangor

TABLE OF CONTENTS

Preface

vii

TOPIC 1: INTRODUCTION TO ECONOMICS

Introduction	1
True/False Questions	2
Open-Ended Questions	3
Structured Questions	7

TOPIC 2: DEMAND AND SUPPLY

Introduction	19
True/False Questions	20
Open-Ended Questions	21
Structured Questions	23

TOPIC 3: ELASTICITY

Introduction	25
True/False Questions	26
Open-Ended Questions	27
Structured Questions	29

TOPIC 4: MARKET EQUILIBRIUM AND GOVERNMENT INTERVENTION

Introduction	47
True/False Questions	48
Open-Ended Questions	49
Structured Questions	52

PREFACE

In the Name of Allah, Most Gracious and Most Merciful

Microeconomics Basic for Dummies is designed to assist students in taking basic economics courses at both college and university levels. This book is organised into eight topics, and each topic is divided into three sections, namely true/false questions, open-ended questions, and structured questions. This exercise book contains more than 100 questions that can help students in strengthening their understanding of a particular topic. This book is complemented by an answer scheme that allows students to make their practice questions with little guidance from the instructors.

This book is dedicated to the students in Microeconomics course. While teaching this course, we became aware of the need for an exercise book to help students in understanding and grasp the economic concepts better. We would like to acknowledge the encouragement and assistance of friends, colleagues, family members and the Dean of the Faculty of Business and Management Universiti Teknologi MARA (UiTM), who have directly or indirectly helped towards the successful completion and publication of this book.

We appreciate the valuable comments and suggestions from many people on this book. We hope to receive more constructive comments and feedback from end-users to enable us to improve the quality of this book.

Nurul Nadia Abd Aziz
Hafizal Ramli