Practice Quiz, May 6th, *2022 Parsons*



Suppose the home country is a LARGE country. It imposes a $2 tariff on imports.

Q1: What is the amount (quantity) of the imports BEFORE the tariff?

Q2: What is the amount of the imports AFTER the tariff?

Q3: What is the Consumer Surplus (CS) BEFORE the tariff?

Q4: What is the Consumer Surplus (CS) AFTER the tariff?

Q5: What is the Producer Surplus (PS) BEFORE the tariff?

Q6: What is the Producer Surplus (PS) AFTER the tariff?

Q7: What is the PRICE that the Consumer pay AFTER the tariff is imposed?

Q8: What is the Government Revenue from the tariff?

Q9: What is the Total Net Loss (or Gain) to this country from the tariff?