QUIZ: Homework No. 4 -- Listing of Items in Quiz with Summary

Statistics
Q-1 The 2002 Farm Bill added almost $50 billion to government outlays for agriculture under the period of the FAIR Act.
21 (72.4%) True
8 (27.5%) False
Q-2 An important shift in the philosophy of conservation programs was experienced under the 2002 Act in that more funds were directed toward conservation on working operations.
25 (86.2%) True
4 (13.7%) False
Q-3 The 2002 legislation brought soybeans into the programs by allowing soybean acreage to be included into farms' base for the purposes of decoupled support.
25 (86.2%) True
4 (13.7%) False
Q-4 Counter cyclical payments are triggered when market prices fall beneath a target and are based upon current production and acreage.
17 (58.6%) True
12 (41.3%) False
Q-5 An export subsidy benefits consumers by lowering domestic prices of the exported good.
11 (37.9%) True
18 (62%) False
Q-6 In a small country, if an export subsidy is applied, since world prices are fixed, consumers realize no effect on their welfare.
13 (44.8%) True
16 (55.1%) False
Q-7 An import quota has an identical effect on trade as does a tariff that reduces imports by the same amount.
23 (79.3%) True
6 (20.6%) False
Q-8 Under the terms of the 2002 Farm Bill, EQIP spending will be split between crops and livestock on a 50/50 basis (with 50% of total spending being directed toward crops and 50% being directed toward livestock.
6 (20.6%) True
23 (79.3%) False
Q-9 Under the FSIRA, farmers were given the option of updating either base acreage, or base yields, but not both base acreage and base yields.
17 (58.6%) True
12 (41.3%) False
Q-10 Under counter cyclical payments, the total payment rate, determined by the difference between target prices and market prices, is adjusted to account for the fixed, decoupled payments.
Q-11 We have argued that, in cases of trade intervention, the losers always lose more than the winners. With this thought in mind, it is impossible for a single country to ever make itself better as a whole as a result of imposing a tariff on imports.

14 (48.2%)  True
15 (51.7%)  False

Q-12 In the case of a small country that places a tariff on imports, most of the incidence of the tariff will fall on foreign producers.

19 (65.5%)  True
10 (34.4%)  False

Q-13 Concerns were raised in the late 1990s and early 2000s that the US was in danger of violating the terms of the Uruguay Round Agreement on Agriculture.

24 (82.7%)  True
5 (17.2%)  False

Q-14 A major change with the 2002 Farm Bill was inclusion of soybeans as a commodity eligible for determining the base that underlies fixed, decoupled payments.

26 (89.6%)  True
3 (10.3%)  False

Q-15 Market loss assistance payments in the late 1990s were based upon

7 (24.1%)  A-1 partity prices
3 (10.3%)  A-2 costs of production
16 (55.1%)  A-3 base acreage and yields
3 (10.3%)  A-4 current production

Q-16 MLA payments were called double AMTA payments because

10 (34.4%)  A-1 they were always paid out at twice AMTA rate
-- (0%)  A-2 they only went to farms with corn base
18 (62%)  A-3 they were sometimes paid out at a rate twice the AMTA rate
1 (3.4%)  A-4 it sounded like a good thing to call them

Q-17 Which of the following is not a part of conservation programs under the 2002 Farm Bill?

2 (6.8%)  A-1 the CRP
5 (17.2%)  A-2 the WRP
16 (55.1%)  A-3 the soil bank
5 (17.2%)  A-4 the CSP

Q-18 The Congressional Budget Office scores the 10-year equivalent outlays of the 2002 Farm Bill at:

4 (13.7%)  A-1 $60 billion
Q-19 Which crop has the highest payment rate for the fixed, decoupled payments under the 2002 Farm Bill (in dollars per bushel terms)?

13 (44.8%) A-1 wheat
5 (17.2%) A-2 corn
-- (0%) A-3 oats
11 (37.9%) A-4 soybeans

Q-20

Ad hoc market loss assistance was replaced by:

7 (24.1%) A-1 AMTA payments
12 (41.3%) A-2 Counter Cyclical Payments
4 (13.7%) A-3 Loan Deficiency Payments