

USAID/Lebanon
Regulatory Impact Analysis Course - September 19-22, 2011
Short Quiz

Answers are Underlined

Module 1: Introduction to Why We Perform RIAs

1. True or false: “Any regulation will impose a cost on some sector of an economy.”
2. For a regulation requiring seat belts in automobiles, the additional labor costs that the automobile firm will incur to comply with the regulation is considered what type of cost (select one):
 - a. a direct cost
 - b. an indirect cost
 - c. an induced cost

Module 2: Deep Dive into Cost Benefit Analysis

1. True or false: “Using a cost/benefit ratio in analyzing a regulation, if the ratio is greater than 1, it means that the regulation will result in net benefits to the economy.”
2. The best indicator or metric to use in assessing whether a regulation (or investment or expenditure) will result in greater benefits or greater costs is (select one):
 - a. the Cost-Benefit Ratio
 - b. the Net Present Value
 - c. the Discount Factor

Module 3: Input-Output Models, Analysis and Multipliers

1. True or false: “Input-output analysis provides you the ability to forecast the impact to the agriculture sector of a change for the next 5 years.”
2. Input-Output models are comprised of (select one):
 - a. a Transactions Table
 - b. a Direct Requirements Table
 - c. a Total Requirements Table
 - d. all of the above

Module 4: Dynamic Macroeconomic Models for RIAs

1. True or false: “Macroeconomic models are preferred for analyses of economic conditions when those conditions are relatively stable and should not be used when conditions fluctuate.”
2. Macroeconomic models can measure changes to which of the following:

- a. a regulation
- b. a policy
- c. a spending decision
- d. all of the above.

3. True or false: “Since no one can accurately predict the future, one of the best uses of a macroeconomic econometric model is to compare the future impacts of alternative regulations or assumptions.”

Module 5: RIA Mandate and Road Map

1. True or false: “Effective communications is of equal importance to credible analysis when assessing and advocating for/against a regulation.”