

## 1 What is economics?

- a. things made by people
- b. a business owned by two or more people
- c. management of the production, distribution and consumption of goods
- d. the way a store or country uses its resources to meet the needs of the people.



2 The store called, “Sammie's stereos”, is having a sale on flowers. This is an example of a/an \_\_\_\_\_.

- a. negative incentive
- b. positive incentive
- c. price war
- d. a really nice gift



3 The car assembly line is an example of

\_\_\_\_\_.

- a. circular flow
- b. division of labor
- c. supply and demand
- d. consumer and producer



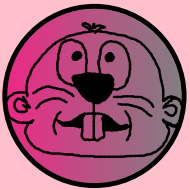
4 When no one wants to buy a snowmobile, factories that make snowmobiles will close. This causes \_\_\_\_\_.

- a. people to loose jobs
- b. people to spend money
- c. more people get jobs
- d. more people move to the area

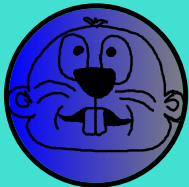


5 Giving everyone a different job to do while making a car is called \_\_\_\_\_.

- a. barter
- b. saving money
- c. division of labor
- d. being lazy



- 6 Adam rented three DVDs that were due back on Monday. He did not return the DVDs until Tuesday and was charged a fine for the overdue rental. This is an example of a \_\_\_\_\_.
- a. positive incentive
  - b. supply and demand
  - c. good and service
  - d. negative incentive



7 What type of market economy does the United States have?

- a. trade
- b. free-market
- c. corporation
- d. partnerships





8 How does the division of labor increase production?

- a. workers learn one skill to do well and quickly
- b. product is more expensive
- c. workers are paid less
- d. workers produce more goods in a longer amount of time.



9 Which level of government regulates imports from other countries?

- a. federal
- b. state
- c. country
- d. local



10 Sam wanted to go to the baseball game and he wanted to buy new shoes. Sam chose to go to the movies. This is an example of \_\_\_\_\_.

- a. scarcity
- b. a natural resource
- c. a public good
- d. opportunity cost



11 Scarcity is a problem where

\_\_\_\_\_.

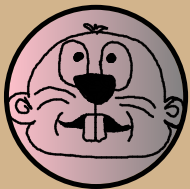
- a. wants are unlimited and resources are limited
- b. wants are limited and resources are unlimited
- c. wants and resources are equal
- d. no wants and no resources



12 Ms. Rhoades is a teacher at the local school. She helps children learn. Ms. Rhoades provides a

\_\_\_\_\_.

- a. service
- b. good
- c. natural resource
- d. capital resource



13 Why is the library publicly owned?

- a. so the librarian can make money
- b. so only some people can use it
- c. so everyone can use it
- d. so we can charge an entrance fee



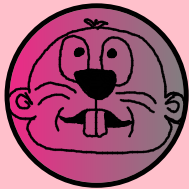
14 Which statement describes the role of the producer?

- a. people who buy goods or services
- b. people who make goods or provide services
- c. one who organizes and assumes the risk in a business
- d. money that is earned to buy goods



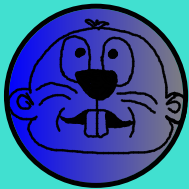
15 A tornado in Iowa destroyed most of the Corn crop. What will MOST LIKELY happen to the price of corn?

- a. prices will go up if people still want them
- b. prices will go down because there are less corn
- c. prices will stay the same as they were
- d. prices will go down because the corn cannot be shipped.





- 16 Josh wanted to buy a new DVD. Instead of buying the DVD at Blockbuster, he bought it at a discount store. What is the MOST LIKELY reason Josh brought the DVD at the discount store?
- a. better quality
  - b. more selection
  - c. lower price
  - d. better salesclerks



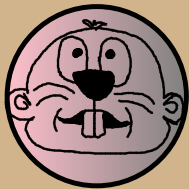
17 Where does a community get the money to build roads?

- a. tax money
- b. raffle tickets
- c. bank payments
- d. private donations



18 What main role does the government play in the economy?

- a. it acts like a "police officer" making sure businesses follow rules
- b. it sets the price of a new car
- c. it chooses jobs for people
- d. it buys land for private use



19 John went to the store to buy her favorite Ben and Jerry's<sup>π</sup> Ice cream. When she arrived at the store they were out of Ben and Jerry's, so John bought Dairy Queen instead. This is an example of \_\_\_\_\_.

- |    |                   |    |                  |
|----|-------------------|----|------------------|
| a. | opportunity costs | b. | substitute goods |
| c. | production        | d. | disappointment   |



20 Fireworks usually cost more before the Fourth of July because

\_\_\_\_\_.

- a. more people want them
- b. fewer people want them
- c. they cost more to make in the winter
- d. store owners only have sales during the summer



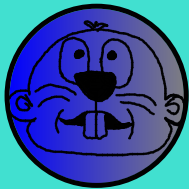
21 Many goods that we buy in the United States are made in other country because

\_\_\_\_\_.

- a. we cannot make them
- b. they can make them cheaper
- c. they are more expensive to buy
- d. we do not have enough workers



- 22 Bonnie makes \$36,000.00 a year. She pays 6,000.00 a year to the Federal Government in taxes. What would the Federal government use this money for?
- a. to pay for our armed forces to protect our country
  - b. to pay for a privately owned park
  - c. to pay for the President's haircut
  - d. to pay for local roads



23 Two businesses that sell the same goods or service are in \_\_\_\_\_.

- a. conservation
- b. competition
- c. trouble
- d. credit





24 What is NOT a characteristic of a market economy?

- a. competition between producers by offering incentives
- b. people buy and sell goods and services
- c. consumer sovereignty
- d. prices of goods or services are set by the government



You can find help using this game online  
with my video tutorial at  
<http://www.youtube.com/watch?v=8LcaFyooohX8>