

Economics

NAME: _____

30 Multiple Choice Questions

1. Macroeconomics
 - a. Economic system that has some combination of traditional command and market economies
 - b. Economics that deals with the economy as a whole and uses aggregate, measures of output, income, prices, and employment
 - c. Competing products that can be used in place of one another
 - d. a situation in which quantity supplied is greater than quantity demanded
2. People who own a share or shares of stock in a corporation
 - a. Scarcity
 - b. Stock
 - c. Shortage
 - d. Stockholder
3. a longer period of production in which firms may change many production variables
 - a. Long Run
 - b. Monopoly
 - c. Surplus
 - d. Short Run
4. Opportunity Cost
 - a. Competing products that can be used in place of one another
 - b. Cost of the next best alternative use of money, time, or resources when making a choice
 - c. Combination of two or more business to form a single firm
 - d. a good that lasts for at least three years when used regularly
5. Free Enterprise
 - a. a market structure in which a few large firms dominate a market
 - b. Combination of two or more business to form a single firm
 - c. a situation in which the quantity demanded is greater than the quantity supplied
 - d. Capitalistic economy in which competition is allowed to flourish with a minimum of government interference

6. Mixed Economies
 - a. Competing products that can be used in place of one another
 - b. Economic system in which the government owns and controls some factors of production
 - c. Monetary worth of a good or service as determined by the market
 - d. Economic system that has some combination of traditional command and market economies
7. Unincorporated business owned and operated by two or more people who share the profits and responsibility for debts
 - a. Savings
 - b. Limited Partnership
 - c. Merger
 - d. Partnership
8. a situation in which quantity supplied is greater than quantity demanded
 - a. Supply
 - b. Service
 - c. Surplus
 - d. Value
9. Vertical Merger
 - a. Combination of desire, ability, and willingness to buy a product
 - b. Stock of finished goods and parts held in reserve
 - c. Combination of two or more business to form a single firm
 - d. Combination of firms involved in different stages of manufacturing or marketing
10. Something we would like to have but is not necessary for survival
 - a. Want
 - b. Value
 - c. Need
 - d. Demand
11. Underground Economy
 - a. Products that increase the use of other products
 - b. where buyers and sellers exchange financial assets
 - c. Something we would like to have but is not necessary for survival
 - d. unreported legal and illegal activities that do not show up in GDP statistics

12. Value
 - a. Electronic business or exchange conducted over the internet
 - b. Monetary worth of a good or service as determined by the market
 - c. Stock of finished goods and parts held in reserve
 - d. Work or labor performed for someone
13. idea that government should play as small a role as possible in economic affairs
 - a. Fixed Costs
 - b. Elasticity
 - c. Macroeconomics
 - d. Laissez- faire
14. Gradual wear on capital goods
 - a. Corporation
 - b. Scarcity
 - c. Deprecation
 - d. Rebate
15. Overhead
 - a. Stock of finished goods and parts held in reserve
 - b. Combination of firms involved in different stages of manufacturing or marketing
 - c. Competing products that can be used in place of one another
 - d. Broad category of fixed costs that includes interest, rent, taxes, and executive salaries
16. Monopoly
 - a. A market structure with a single seller of a particular product
 - b. a market structure in which a few large firms dominate a market
 - c. Products that increase the use of other products
 - d. WHAT to produce, HOW to produce, for WHOM to produce
17. Fixed Costs
 - a. People who own a share or shares of stock in a corporation
 - b. Also called overhead, firms have these whether they produce goods or not
 - c. Stock of finished goods and parts held in reserve
 - d. Products that increase the use of other products

18. Economics
 - a. social science dealing with how people satisfy seemingly unlimited and competing wants with the careful use of scarce resources
 - b. Certificate of ownership in a corporation
 - c. basic requirement for survival, including food, clothing and shelter
 - d. Competing products that can be used in place of one another
19. Microeconomics
 - a. Part of economics that studies small units, such as individuals and firms
 - b. Stock of finished goods and parts held in reserve
 - c. where buyers and sellers exchange financial assets
 - d. Competing products that can be used in place of one another
20. Certificate of ownership in a corporation
 - a. Price
 - b. Stock
 - c. Good
 - d. Value
21. A measure of responsiveness that shows how one variable responds to a change in another variable
 - a. Elasticity
 - b. Inelastic
 - c. Subsidy
 - d. Price
22. Multinational
 - a. Combination of firms involved in different stages of manufacturing or marketing
 - b. Corporation producing and selling without regard to national boundaries and whose business activities are located in several different countries
 - c. Competing products that can be used in place of one another
 - d. unreported legal and illegal activities that do not show up in GDP statistics
23. Economic and political system in which all factors of production are collectively owned and controlled by the state
 - a. Communism
 - b. Savings
 - c. Capitalism
 - d. Socialism

24. Corporation
- Combination of two or more business to form a single firm
 - Electronic business or exchange conducted over the internet
 - Form of business organization recognized by law as a separate legal entity
 - Amount of a product offered for sale at all possible prices
25. the dollar value of all final goods, services, and structures produced within a country's national borders during a one-year period
- Complementary Goods
 - Gross National Product
 - Gross Domestic Product
 - Conglomerate
26. Division of Labor
- Monetary worth of a good or service as determined by the market
 - People who own a share or shares of stock in a corporation
 - Division of work into a number of separate tasks to be performed by different workers
 - Combination of two or more business to form a single firm
27. Profit
- Monetary worth of a good or service as determined by the market
 - a situation in which the quantity demanded is greater than the quantity supplied
 - Form of business organization recognized by law as a separate legal entity
 - Extent to which persons or organizations are better off financially at the end of a period than they were at the beginning
28. where buyers and sellers exchange financial assets
- Inelastic
 - Vertical Merger
 - Financial Market
 - Conglomerate
29. Production Function
- The dollars that become available for investors to use when other save
 - the nature and degree of competition among firms operating in the same industry
 - Combination of two or more firms producing the same kind of product
 - The relationship between quantity of inputs used to make a good and the quantity of output of that good

30. Need

- a. basic requirement for survival, including food, clothing and shelter
- b. Stock of finished goods and parts held in reserve
- c. where buyers and sellers exchange financial assets
- d. Competing products that can be used in place of one another

30 True/False Questions

1. Total amount earned by a firm from the sale of its products, price of goods sold, times quantity sold → Total Revenue

True False

2. Land, Capital, Labor, and Entrepreneurs → 4 factors of Production

True False

3. Inelastic → Types of elasticity where a change in price caused a relatively larger change in quantity demanded

True False

4. Work or labor performed for someone → Service

True False

5. Socialism → Political and economic system in which the government owns and controls some factors of production

True False

6. Horizontal Merger → where buyers and sellers exchange financial assets

True False

7. Stock of finished goods and parts held in reserve → Service

True False

8. Requirement that an owner is personally and fully responsible for all losses and debts of the business → Economic System

True False

9. Good → Tangible economic product that is useful, relatively scarce, and transferable to others

True False

10. Firms with four or more business making unrelated products with no single business responsibility for a majority of it's sales → E-Commerce
True False
11. Electronic business or exchange conducted over the internet → Financial Market
True False
12. Business owned and run by a single person who has the rights to all profits and unlimited liability or all debts of the firm → Sole Proprietorship
True False
13. Government payment to encourage or protect a certain economic activity → Laissez- faire
True False
14. Combination of two or more business to form a single firm → Horizontal Merger
True False
15. Competing products that can be used in place of one another → Substitute Goods
True False
16. a market structure in which a large number of firms all produce the same product → Monopoly
True False
17. Form of partnership where one or more partners are not active in the daily running of the business and have limited responsibility for debts → Limited Partnership
True False
18. Gross National Product → the dollar value of all finals goods, services, and structures produced within a country's national borders during a one-year period
True False
19. Rule stating that consumers will buy more of a product at lower prices and less at higher prices → Law of Demand
True False
20. WHAT to produce, HOW to produce, for WHOM to produce → Complementary Goods
True False

21. the nature and degree of competition among firms operating in the same industry → Market Structure
True False
22. A partial refund to someone who has paid too much money for tax, rent, or a utility → Stockholder
True False
23. The dollars that become available for investors to use when other save → Savings
True False
24. Economic system in which the government owns and controls some factors of production → Socialism
True False
25. Certificate of Deposit → Division of work into a number of sperate tasks to be performed by different workers
True False
26. Types of elasticity where a change in price caused a relatively larger change in quantity demanded → Inelastic
True False
27. Economic organization that operates like a business but does not seek financial gain → Non-profit Organization
True False
28. Demand → basic requirement for survival, including food, clothing and shelter
True False
29. Organized way a society provides for the wants and needs of its people → 3 Basic economic questions
True False
30. Products that increase the use of other products → Complementary Goods
True False