

# ECONOMICS TEST

Name \_\_\_\_\_

Date \_\_\_\_\_

1. What type of money is collected to pay for government services?
  - A. tax
  - B. profit
  - C. salary
  - D. bills
2. What is a natural resource?
  - A. a factory
  - B. money
  - C. a policeman
  - D. water
3. Which is a capital resource?
  - A. water
  - B. graphite
  - C. teacher
  - D. tractor
4. Which of these is an example of an export?
  - A. Florida oranges sold to Japan
  - B. Colombian coffee bought in Texas
  - C. Belgium chocolate bought in California
  - D. Mexican clothing bought in Pennsylvania
5. Which of these is an example of bartering?
  - A. paying with a dollar
  - B. trading for another good
  - C. paying with a check
  - D. borrowing the good
6. When a lot of people want of people want to buy a product...
  - A. the price stays the same
  - B. the price increases
  - C. the price decreases
  - D. the price changes to free
7. People who make goods and services are called?
  - A. consumers
  - B. producers
  - C. capital resources
  - D. customers
8. What does interdependence mean?
  - A. there is a scarcity of goods
  - B. supply is high and the demand is low
  - C. different countries need each other for their goods and services
  - D. the price of services is too low
9. If you chose between buying a new video game and a new scooter and bought the scooter, what is the opportunity cost?
  - A. the scooter
  - B. your savings
  - D. the video game
  - D. both the video game and scooter
10. Which is paid for with taxes?
  - A. schools
  - B. grocery stores
  - C. gas stations
  - D. clothes

11. After a bad storm an entire town lost power. There was only one store that had any generators (they can supply power). The store raised the price of the generators, but people still bought them. Why do you think people still bought the generators at a high price?

The demand for generators was

high and the supply was low.

12. Name 3 examples of a capital resource.  
hammer, truck, sewing machine, etc

13. How is there interdependence between the United States and other countries?

We export goods to other countries  
and buy goods from other countries.

14. Why does the government collect taxes?  
To pay for services such as roads and schools.

15. If you opened a toy store what resources would you need (be sure to

tell what type of resource each one is)?  
human - cashiers, natural - water, materials to make toys, capital - building, trucks, cash registers.

16. Give an example of trade or bartering.  
I could trade my friend a piece of candy for a sticker.

17. What is the difference between a human resource and an entrepreneur?  
A entrepreneur owns the business and a human resource works at the business.