**EXPLORING ECONOMICS**

1)  Which of the following is **not** one of the four productive resources, also called factors of production?

A) entrepreneurship

B) economic capital

C) labor

D) water

2)  A business will make more video game systems if the price of those systems increases is an example of the \_\_\_\_\_.

A) law of demand

B) theory of finance

C) theory of economics

D) law of supply

3)  Change in supply refers to a shift, either to the left or right, in the entire price-quantity relationship that defines a \_\_\_\_\_.

A) market imbalance

B) correction of trade

C) demand allowance

D) supply curve

4)  An economic system based on the private ownership of the means of production and their operation for profit.

A) communism

B) exorcism

C) socialism

D) capitalism

5)  An economy organized with some free-market elements and some socialistic elements, which lies on a continuum somewhere between pure capitalism and pure socialism.

A) value economy

B) mixed economy

C) closed economy

D) command economy

6)  The countries with the two highest GDPs in the world are the United States and \_\_\_\_\_.

A) Germany

B) Saudi Arabia

C) China

D) India

7)  The four factors of production include all the following **except** \_\_\_\_\_.

A) capital

B) ownership

C) labor

D) enterprise

8)  Represents an outflow of domestic currency to foreign markets.

A) trade deficit

B) balance of trade

C) backlog

D) comparative advantage

9)  When people rely on others to provide the goods and services required for supporting their lives or for convenience.

A) economic interdependence

B) factors of production

C) circular flow

D) product market

10)  A business is one in which the service is the primary entity that is sold.

A) pure service

B) ready service

C) value service

D) block service

11)  A market segment that includes nondurable goods like food and drinks that move rapidly through the chain from producers to distributors and retailer then on to consumers.

A) shopping good

B) specialty consumer good

C) fast-moving consumer goods

D) convenience good

12)  A \_\_\_\_\_ pricing model illustrates how prices are set within a market for a given good as determined by supply and demand curves.

A) macroeconomic

B) altoeconomic

C) omegaeconomic

D) microeconomic

13)  The actions of a central bank or other committees that determine the size and rate of growth of the money supply of a country.

A) financial policy

B) internal policy

C) monetary policy

D) fiscal policy

14)  The U.S. Fed's monetary policy goals include all the following **except** \_\_\_\_\_ in order to promote a stable financial environment.

A) moderate long-term interest rates

B) price stability

C) income supplementation

D) maximum employment

15)  Desires for goods and services we would like to have.

A) basics

B) goods

C) wants

D) needs

1) D

2) D

3) D

4) D

5) B

6) C

7) B

8) A

9) A

10) A

11) C

12) D

13) C

14) C

15) C