



5 Written Questions

NAME: _____ Surname _____

1. The result of quantity supplied being greater than the quantity demanded.

2. A measure of how responsive consumers are to price changes.

3. Occurs when something prompts consumers to buy different amounts at every price.

4. The price at which the quantity demanded and the quantity supplied are equal.

5. Lists how much of a good or service an individual producer is willing and able to offer for sale at each price.

5 Matching Questions

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|---|--|
| 1. <input type="checkbox"/> Law of Diminishing Marginal Utility | <input type="checkbox"/> a Applying scientific methods and innovations to production. |
| 2. <input type="checkbox"/> Black Market | <input type="checkbox"/> b Goods that consumers demand more of when their income rises. |
| 3. <input type="checkbox"/> Excise Tax | <input type="checkbox"/> c Tax on the making or selling of certain goods or services. |
| 4. <input type="checkbox"/> Technology | <input type="checkbox"/> d Involves illegal buying or selling in violation of price controls or rationing. |
| 5. <input type="checkbox"/> Normal Goods | <input type="checkbox"/> e States that the marginal benefit of using each additional unit of a product during a given period will decline. |

5 Multiple Choice Questions

1. A legal minimum amount that an employer must pay for one hour of work.
 - a. Excise Tax
 - b. Income Effect
 - c. Input Costs
 - d. Minimum Wage
2. Occurs when the quantity demanded changes little as price changes.
 - a. Elastic
 - b. Unit Elastic
 - c. Inelastic
 - d. Incentive

3. The change in the amount that consumers will buy because the purchasing power in their income changes.
 - a. Inelastic
 - b. Income Effect
 - c. Incentive
 - d. Excise Tax
4. The level of production at which a business realizes the greatest amount of profit.
 - a. Diminishing Returns
 - b. Total Revenue Test
 - c. Profit-Maximizing Output
 - d. Price Ceiling
5. The amount of goods and services that a person can produce in a given time.
 - a. Law of Supply
 - b. Marginal Cost
 - c. Labor Productivity
 - d. Law of Demand

5 True/False Questions

1. Law of Supply → States that when prices decrease, quantity supplied decreases, and when prices increase, quantity supplied increases
True False
2. Fixed Costs → Those that business owners incur no matter how much they produce.
True False
3. Regulations → Set of rules or laws designed to control business behavior.
True False
4. Change in Quantity Supplied → Rise or fall in the amount producers offer for sale because of a change in price, does not cause a shift in a supply curve.
True False
5. Marginal Revenue → A company's income from selling its products.
True False