

Quiz: Dollars and Sense

Question 1a of 10 (1 Cost-benefit analysis 202262)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following best describes cost-benefit analysis?

Choice	Feedback
A. A method or calculating money spent on a project.	
B. A process of maximizing benefits and minimizing costs.	Correct! Cost-benefit analysis helps to maximize benefits.
C. A way to predict how much someone will earn in the future.	
D. A calculation of how much profit will result from a certain level of spending.	

Global Incorrect Feedback

The correct answer is: A process of maximizing benefits and minimizing costs. Cost-benefit analysis helps to maximize benefits.

Question 1b of 10 (1 Cost-benefit analysis 202263)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following best describes the purpose of using cost-benefit analysis?

Choice	Feedback
A. To produce a spreadsheet predicting costs.	
B. To make decisions that maximize benefits.	Correct! Cost-benefit analysis is useful when you want to get the most out of a decision.
C. To know the highest and lowest price to pay for something.	
D. To decide how much money to invest to earn a certain amount.	

Global Incorrect Feedback

The correct answer is: To make decisions that maximize benefits. Cost-benefit analysis is useful when you want to get the most out of a decision.

Question 1c of 10 (1 Cost-benefit analysis 202264)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following is a simple way or describing cost-benefit analysis?

Choice	Feedback
A. Making a decision by listing pros and cons.	Correct! Pros and cons are like benefits and costs.
B. Estimating prices to the nearest dollar.	
C. Measuring the overall health of an economy.	
D. Predicting economic decisions without much information.	

Global Incorrect Feedback

The correct answer is: Making a decision by listing pros and cons. Pros and cons are like benefits and costs.

Question 2a of 10 (2 Cost-benefit analysis 202299)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following lists some of the non-monetary factors that are taken into account when doing cost-benefit analysis?

Choice	Feedback
A. Reason and emotion	
B. Time and effort	Correct! Time and effort cost people something and that must be taken into account.
C. Price and profit	
D. Action and outcome	

Global Incorrect Feedback

The correct answer is: Time and effort. Time and effort cost people something and that must be taken into account.

Question 2b of 10 (2 Cost-benefit analysis 202300)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following best explains why any determination of cost must go beyond counting the money involved?

Choice	Feedback
A. Calculations of cost and benefit are subjective.	Correct! Everyone's ideas about costs and benefits are different.
B. Most people do not know how much things cost.	
C. Profit is a more accurate measurement of benefits.	
D. Large amounts of money cannot be accurately counted.	

Global Incorrect Feedback

The correct answer is: Calculations of cost and benefit are subjective. Everyone's ideas about costs and benefits are different.

Question 3a of 10 (1 Cost-benefit analysis 202302)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following statements accurately describes how costs and benefits are calculated?

Choice	Feedback
A. Cost-benefit analysis is an attempt to get benefits to exceed costs.	
B. Money is an important cost but not the only one.	
C. Calculations of cost and benefit are based on personal preferences.	Correct! Different people have different ideas about how much things cost and benefit them.
D. Benefits do not always increase as costs increase.	

Global Incorrect Feedback

The correct answer is: Calculations of cost and benefit are based on personal preferences. Different people have different ideas about how much things cost and benefit them.

Question 3b of 10 (1 Cost-benefit analysis 202303)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: What is one reason that people want to minimize costs?

Choice	Feedback
A. Costs always have to be paid before a benefit arrives.	
B. Costs are calculated differently by everyone.	
C. Costs always involve doing without something good.	
D. Costs are often bad things that people don't want to accept.	Correct! Costs can also be about doing without something good.

Global Incorrect Feedback

The correct answer is: Costs are often bad things that people don't want to accept. Costs can also be about doing without something good.

Question 3c of 10 (1 Cost-benefit analysis 202304)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following is true of decisions made using cost-benefit analysis?

Choice	Feedback
A. The best decision results in the most benefits with the fewest costs.	Correct! Cost-benefit analysis is an attempt to maximize benefits.
B. The only rational decision is the one that results in the highest sale price.	
C. Some people may decide to minimize benefits instead of maximizing them.	
D. Everyone using cost-benefit analysis correctly will make the same decision.	

Global Incorrect Feedback

The correct answer is: The best decision results in the most benefits with the fewest costs. Cost-benefit analysis is an attempt to maximize benefits.

Question 4a of 10 (2 Economic indicators 202272)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following is the purpose of economic indicators?

Choice	Feedback
A. To figure out how fast the gross domestic product is growing.	
B. To inform consumers how fast prices are going to rise.	
C. To judge the overall condition of a particular country's economy.	Correct! Economic indicators show how healthy the economy is.
D. To indicate whether an unemployed worker is likely to get a new job.	

Global Incorrect Feedback

The correct answer is: To judge the overall condition of a particular country's economy. Economic indicators show how healthy the economy is.

Question 4b of 10 (2 Economic indicators 202273)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following helps economists judge the overall condition of a particular country's economy?

Choice	Feedback
A. A description of the main economic activities.	
B. A listing of government regulations.	
C. An overview of a country's political system.	
D. A measurement of economic indicators.	Correct! Economic indicators help show how healthy an economy is.

Global Incorrect Feedback

The correct answer is: A measurement of economic indicators. Economic indicators help show how healthy an economy is.

Question 4c of 10 (2 Economic indicators 202274)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following best describes why economic indicators are useful?

Choice	Feedback
A. They help people determine how healthy a country's economy is.	Correct! Economic indicators help show how healthy an economy is.
B. They indicate which jobs will pay the most in future years.	
C. They enable the government to collect the maximum amount of taxes.	
D. They allow economists to prevent the growth of gross domestic product.	

Global Incorrect Feedback

The correct answer is: They help people determine how healthy a country's economy is. Economic indicators help show how healthy an economy is.

Question 5a of 10 (1 Economic indicators 202329)

Maximum Attempts: 1

Question Type: Matching

Maximum Score: 2

Question: Match the economic indicator with its definition.

Choice Text	Correct Match	Match Text
A. Gross Domestic Product	D.	The rate of growth of residential construction.
B. Unemployment rate	C.	Increase in the average level of prices.
C. Inflation rate	B.	Percentage of able workers without a job.
D. New housing rate	A.	Value of all goods and services produced in a country.

Attempt: Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answers are: Gross Domestic Product: Value of all goods and services produced in a country; Unemployment rate: Percentage of able workers without a job; Inflation rate: Increase in the average level of prices; New housing rate: The rate of growth of residential construction.

Question 5b of 10 (1 Economic indicators 202330)

Maximum Attempts: 1

Question Type: Matching

Maximum Score: 2

Question: Match the economic indicator with its type of measurement.

Choice Text	Correct Match	Match Text
A. Retail sales	D.	Inactivity
B. Gross Domestic Product	C.	Inflation
C. Consumer Price Index	A.	Growth
D. Unemployment rate	B.	Activity

Attempt: Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answers are: Retail sales: Growth; Gross Domestic Product: Activity; Consumer Price Index: Inflation; Unemployment rate: Inactivity.

Question 5c of 10 (1 Economic indicators 202331)

Maximum Attempts: 1

Question Type: Matching

Maximum Score: 2

Question: Match the economic indicator with its correct definition.

Choice Text	Correct Match	Match Text
A. Per capita	A.	The average amount of something for each person.
B. Stagnation	B.	When something is neither growing nor shrinking.
C. Unemployment	D.	How many prices of goods and services are rising.
D. Inflation	C.	How many able workers do not have a job.

Attempt: Incorrect Feedback

1st

Correct Feedback

Correct!

Global Incorrect Feedback

The correct answers are: Per capita: The average amount of something for each person; Stagnation: When something is neither growing nor shrinking; Inflation: How much prices of goods and services are rising; Unemployment: How many able workers do not have a job.

Question 6a of 10 (1 Stagnation 202278)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following shows that an economy is stagnating?

Choice	Feedback
A. The unemployment rate is going down.	
B. The GDP is neither growing nor shrinking.	Correct! Stagnation is when there is neither an increase nor a decrease.
C. The inflation rate is going down.	
D. Per capita income is rising.	

Global Incorrect Feedback

The correct answer is: The GDP is neither growing nor shrinking. Stagnation is when there is neither an increase nor a decrease.

Question 6b of 10 (1 Stagnation 202279)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following shows that an economy is growing?

Choice	Feedback
A. Corporate profits are stagnating.	
B. The inflation rate is going up.	
C. The GDP is getting bigger.	Correct! GDP measures overall economic activity.
D. The unemployment rate is getting bigger.	

Global Incorrect Feedback

The correct answer is: The GDP is getting bigger. GDP measures overall economic activity.

Question 6c of 10 (1 Stagnation 202280)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following is happening when the GDP is neither rising nor falling?

Choice	Feedback
A. Stagnation	Correct! Stagnation is when there is neither an increase nor a decrease.
B. Growth	
C. Inflation	
D. Unemployment	

Global Incorrect Feedback

The correct answer is: Stagnation. Stagnation is when there is neither an increase nor a decrease.

Question 7a of 10 (3 Economic indicators 202281)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following would result in a reduction of GDP?

Choice	Feedback
A. The unemployment rate goes down.	
B. Imports increase faster than exports.	Correct! Imports are subtracted from exports to calculate GDP, so rising imports reduce GDP.
C. Farm income stagnates.	
D. Investment increases.	

Global Incorrect Feedback

The correct answer is: Imports increase faster than exports. Imports are subtracted from exports to calculate GDP, so rising imports reduce GDP.

Question 7b of 10 (3 Economic indicators 202282)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following would result in an increase in GDP?

Choice	Feedback
A. Balance between imports and exports.	
B. A rising level of imports.	
C. Less government spending.	
D. Greater levels of investment.	Correct! Investment is one component of GDP, so more investment increases GDP.

Global Incorrect Feedback

The correct answer is: Greater levels of investment. Investment is one component of GDP, so more investment increases GDP.

Question 7c of 10 (3 Economic indicators 202283)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following would not increase GDP?

Choice	Feedback
A. More imports	Correct! Imports are subtracted from exports to calculate GDP, so rising imports reduce GDP.
B. A rise in investment	
C. Increasing consumption	
D. Greater government spending	

Global Incorrect Feedback

The correct answer is: More imports. Imports are subtracted from exports to calculate GDP, so rising imports reduce GDP.

Question 8a of 10 (1 Economic indicators 202666)

Maximum Attempts: 1

Question Type: Text Fill In Blank

Maximum Score: 2

Is Case Sensitive: false

Correct Answer: inflation

Question: The Consumer Price Index is a way that the U.S. government measures _____.

Attempt: Incorrect Feedback

1st

Correct Feedback

Correct! The Consumer Price Index measures inflation by calculating the average price of various goods and services that most consumers use.

Global Incorrect Feedback

The correct answer is: Inflation. The Consumer Price Index measures inflation by calculating the average price of various goods and services that most consumers use.

Question 8b of 10 (1 Economic indicators 202667)

Maximum Attempts: 1

Question Type: Text Fill In Blank

Maximum Score: 2

Is Case Sensitive: false

Correct Answer: unemployment

Question: The percentage of total workers who are out of work but seeking jobs and willing to work is known as the _____.

Attempt: Incorrect Feedback

1st

Correct Feedback

Correct! The unemployment rate only measures workers willing to work and seeking work, not all people without jobs.

Global Incorrect Feedback

The correct answer is: unemployment. The unemployment rate only measures workers willing to work and seeking work, not all people without jobs.

Question 8c of 10 (1 Economic indicators 202668)

Maximum Attempts: 1

Question Type: Text Fill In Blank

Maximum Score: 2

Is Case Sensitive: false

Correct Answer: inflation

Question: A(n) _____ calculator can be used to find out how much something has cost in 1980 would cost today.

Attempt: Incorrect Feedback

1st

Correct Feedback

Correct! Inflation calculators can be used to compare prices for two different years.

Global Incorrect Feedback

The correct answer is: Inflation. Inflation calculators can be used to compare prices for two different years.

Question 9a of 10 (2 Economic activity 202287)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following economic indicators measures a specific type of economic activity?

Choice	Feedback
A. Gross Domestic Product	
B. Inflation	
C. Retail sales	Correct! Retail sales is only one type of economic activity.
D. Unemployment	

Global Incorrect Feedback

The correct answer is: Retail sales. Retail sales is only one type of economic activity.

Question 9b of 10 (2 Economic activity 202288)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following economic indicators measures inactivity rather than activity?

Choice	Feedback
A. Corporate profits	
B. Inflation rate	
C. Unemployment rate	Correct! Unemployment is a lack of work & a form of inactivity in the economy.
D. Gross Domestic Product	

Global Incorrect Feedback

The correct answer is: Unemployment rate. Unemployment is a lack of work & a form of inactivity in the economy.

Question 9c of 10 (2 Economic activity 202289)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following economic indicators does not measure economic growth?

Choice	Feedback
A. Unemployment rate	Correct! The unemployment rate measures inactivity, not growth.
B. New housing construction	
C. Corporate profits	
D. Industrial production	

Global Incorrect Feedback

The correct answer is: Unemployment rate. The unemployment rate measures inactivity, not growth.

Question 10a of 10 (3 Economic indicators 202290)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which economic indicator would be most useful for figuring out how much something you bought has cost ten years ago?

Choice	Feedback
A. Retail sales	
B. New housing construction	
C. Gross Domestic Product	
D. Consumer Price Index	Correct! The CPI is used to calculate inflation-adjusted prices.

Global Incorrect Feedback

The correct answer is: Consumer Price Index. The CPI is used to calculate inflation-adjusted prices.

Question 10b of 10 (3 Economic indicators 202291)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following economic indicators measures the overall value of goods and services?

Choice	Feedback
A. Inflation	
B. Gross Domestic Product	Correct! GDP is the total value of all goods and services in a country.
C. Industrial production	
D. Retail sales	

Global Incorrect Feedback

The correct answer is: Gross Domestic Product. GDP is the total value of all goods and services in a country.

Question 10c of 10 (3 Economic indicators 202292)

Maximum Attempts: 1

Question Type: Multiple Choice

Maximum Score: 2

Question: Which of the following economic indicators would be most useful for figuring out how healthy a country's businesses are?

Choice	Feedback
A. Corporate profits	Correct! The growth of corporate profits shows how well businesses are doing.
B. New housing construction	
C. Gross Domestic Product	
D. Retail sales	

Global Incorrect Feedback

The correct answer is: Corporate profits. The growth of corporate profits shows how well businesses are doing.