PREVIEW CLOSE

Test (CS): The Game of Economics

Question 1a of 25 (1 Games 203443)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is *not* a feature common to all games?

	Choice	Feedback
A.	Outcomes	
*B.	nners	rect! Some games do not have a ner or loser.
C.	yers	
D.	les	

Global Incorrect Feedback
The correct answer is: Winners. Some games do not have a winner or loser.

Question 1b of 25 (1 Games 203444)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is *not* a feature common to all games?

	hoice	Feedback
A.	Properties	
B.	Players	
*C.	eams	Correct! Many games have only individual players, not teams.
D.	ules	

Global Incorrect Feedback
The correct answer is: Teams. Many games have only individual players, not teams.

Question 1c of 25 (1 Games 203444)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is *not* a feature common to all gam

	Choice	Feedback
A.	roperties	
B.	Players	
*C.	eams	Correct! Many games have only individual players, not teams.
D.	Rules	

Global Incorrect Feedback
The correct answer is: Teams. Many games have only individual players, not teams.

Question 2a of 25 (1 Allocation 203447)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Economics is about allocating resources to produce and distribute which of the following?

	Choice	Feedback
A.	Outcomes and properties	
B.	Consumers and producers	
*C.	Goods and services	Correct! Economics is about goods and services.
D.	Wages and profits	

Global Incorrect Feedback
The correct answer is: Goods and services. Economics is about goods and services.

Question 2b of 25 (1 Allocation 203448)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Economics is about allocating resources for doing which of the following processes involving goods and services?

	Choice	Feedback
*A.	Production and distribution	Correct! Economics involves decisions about production and distribution.
B.	Consumption and destruction	
C.	Innovation and efficiency	
D.	Expansion and stagnation	

Global Incorrect Feedback
The correct answer is: Production and distribution. Economics involves decisions abou production and distribution.

Question 2c of 25 (1 Allocation 203449)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Economics is about doing which of the following with resources when it com to the production and distribution of goods and services?

	Choice	Feedback
A.	anding	
B.	Reusing	
*C.	cating	rect! Economics involves cation decisions.
D.	Discovering	

Global Incorrect Feedback
The correct answer is: Allocating. Economics involves allocation decisions.

Question 3a of 25 (3 decisions 203450)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is an example of an allocation decision?

	Choice	Feedback
*A.	Coal is set aside to burn as heating fuel.	Correct! Allocation decisions set aside resources for a specific purpose.
B.	An assembly line is used to build cars.	
C.	A hub-and-spoke network is used to ship packages.	
D.	A telephone factory is converted to make computers.	

Global Incorrect Feedback
The correct answer is: Coal is set aside to burn as heating fuel. Allocation decisions set aside resources for a specific purpose.

Question 3b of 25 (3 decisions 203451)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is an example of a production decision?

	Choice	Feedback
A.	A gas station is expanded to accommodate more cars at once.	
B.	Crude oil is set aside to refine into gasoline for cars.	
C.	A pipeline is set up to get oil from wells to refineries.	
*D.	An assembly line is used to build cars.	Correct! The way production is organized in a factory is a production decision.

Global Incorrect Feedback
The correct answer is: An assembly line is used to build cars. The way production is organized in a factory is a production decision.

Question 3c of 25 (3 decisions 203452)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is an example of a distribution decision?

	Choice	Feedback
A.	Diamonds are set aside to use for industrial drill	
*B.	A pipeline is set up to get oil from wells to refineries.	Correct! Getting a resource from one place to another is a distribution decision.
C.	A telephone factory is converted to make computers.	
D.	A textile factory decides to use electric sewing machines.	

Global Incorrect Feedback
The correct answer is: A pipeline is set up to g oil from wells to refineries. Getting a resource from one place to another is a distribution decision.

Question 4a of 25 (3 Goals 203462)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following describes an efficient outcome?

	Choice	Feedback
A.	A government program allocates food to the needy.	
*B.	A car is designed to waste as little fuel as possible.	Correct! Efficiency is the minimization of waste.
C.	Consumers are given the widest range of choic possible.	
D.	A company sets up retirement program for its employees.	

Global Incorrect Feedback
The correct answer is: A car is designed to waste as little fuel as possible. Efficiency is the

Question 4b of 25 (3 Goals 203463)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following describes a situation where the goal of growth is bei pursued?

	Choice	Feedback
A.	Consumers reduce the amount of materials the recycle.	
B.	A factory lays off workers to become more efficient.	
*C.	A company opens a new factory and employs more workers.	Correct! New jobs means economic growth i taking place.
D.	The government establishes a retirement progr for its citizens.	

Global Incorrect Feedback
The correct answer is: A company opens a nev factory and employs more workers. New jobs

Question 4c of 25 (3 Goals 203464)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following describes a situation where the goal of security is being pursued?

	Choice	Feedback
*A.	The government establishes a retirement progr for its citizens.	Correct! A retirement program provides financial security for elderly citizens.
B.	Consumers are protected against theft, fraud, a coercion.	
C.	A company opens a new factory and employs more workers.	
D.	A new government program provides food to homeless people.	

Global Incorrect Feedback
The correct answer is: The government establishes a retirement program for its citizens. A retirement program provides financi security for elderly citizens.

Question 5a of 25 (1 Goals 203465)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is *not* an economic goal?

	Choice	Feedback
A.	reedom	
B.	Security	
C.	Growth	
*D.	ictory	Correct! The game of economics is not about winning or losing.

Global Incorrect Feedback
The correct answer is: Victory. The game of economics is not about winning or losing.

Question 5b of 25 (1 Goals 203466)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is *not* a goal pursued in the game of economics?

	Choice	Feedback
*A.	Inflation	Correct! Inflation is a result of prices rising, not an economic goal.
B.	Freedom	
C.	Equity	
D.	Efficiency	

Global Incorrect Feedback
The correct answer is: Inflation. Inflation is a result of prices rising, not an economic goal.

Question 5c of 25 (1 Goals 203467)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is *not* a goal pursued in the game of economics?

	Choice	Feedback
A.	Efficiency	
*B.	Stagnation	Correct! Stagnation is the lack of growth; growth is one o the goals people pursue in the game of economics.
C.	Growth	
D.	Security	

Global Incorrect Feedback
The correct answer is: Stagnation. Stagnation the lack of growth; growth is one of the goals people pursue in the game of economics.

Question 6a of 25 (2 Goals 203468)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best explains why players in the game of economics are often in conflict with each other?

	Choice	Feedback
*A.	Some economic goals are incompatible with each other.	Correct! Pursuing one economic goal often gets in the way of achieving a different goal.
B.	Efficient outcomes require free choices.	
C.	Supply and demand are usually not balanced.	
D.	Producers needs consumers more than consum need producers.	

Global Incorrect Feedback
incompatible with each other. Pursuing one economic goal often gets in the way of achieving a different goal.

Question 6b of 25 (2 Goals 203469)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best explains why some economic goals are incompatible with each other?

	Choice	Feedback
A.	Individuals must harm each other to get ahead in life.	
*B.	People are often in conflict over what they want	Correct! Conflict leads to people pursuing different and sometimes incompatible goals.
C.	Both supply and demand cannot be sufficiently allocated.	
D.	Producers needs consumers more than consumers need producers.	

Global Incorrect Feedback
The correct answer is: People are often in conflict over what they want. Conflict leads to people pursuing different and sometimes incompatible goals.

Question 6c of 25 (2 Goals 203470)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best explains why goals are necessary for making allocation decisions?

	Choice	Feedback
A.	Goods and services are only meaningful once players have decided what goals to use them for.	
B.	Goods can only be distributed to consumers onc those consumers decide on their goals.	
*C.	The available resources cannot be used to purs every goal that each individual has	Correct! Resources are limited, so goals mus be set for their use.
D.	Production goals can only be met when enough resources are allocated by the government.	

Global Incorrect Feedback
The correct answer is: The available resources cannot be used to pursue every goal that eacl individual has. Resources are limited, so goals

Question 7a of 25 (2 Resources 203475)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following questions must be asked about the use of resources an economic system?

	Choice	Feedback
A.	What allocation will provide the fastest growth?	
*B.	What is the most effective allocation?	Correct! Effectiveness of allocation is a general goal shared by all economic systems
C.	What is the most secure allocation?	
D.	What is the fairest allocation?	

Global Incorrect Feedback
effective allocation? Effectiveness of allocation is a general goal shared by all economic systems

Question 7b of 25 (2 Resources 203476)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: The need to get goods from producers to consumers raises which of the following basic questions?

	Choice	Feedback
A.	What is the most effective allocation?	
*B.	How are goods and services to be distributed?	Correct! Goods must be distributed to get them from the producers to the consumers.
C.	How is production to be organized?	
D.	What is to be produced?	

Global Incorrect Feedback
The correct answer is: How are goods and services to be distributed? Goods must be distributed to get them from the producers to the consumers.

Question 7c of 25 (2 Resources 203477)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following questions must be answered in order to turn resources into products?

	Choice	Feedback
*A.	How should production be organized?	Correct! Producers must organize production in order to create goods and services.
B.	How will people find jobs?	
C.	How can security be achieved?	
D.	How are goods and services to be distributed?	

Global Incorrect Feedback
The correct answer is: How should production be organized? Producers must organize production in order to create goods and services.

Question 8a of 25 (2 Scarcity 203478)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best explains why the game of economics cannot eliminate scarcity?

	Choice	Feedback
A.	Human intellectual capacities are too limited to allow them to make rational allocation decisions	
B.	Technology has not advanced far enough to create fully efficient systems of production and distribution.	
C.	The population of the Earth has grown too larg to be sustained by the available natural resources.	
*D.	No matter how much supply is produced, people demands will always increase to exceed supply.	Correct! No matter how much is produced, people will always want more.

Global Incorrect Feedback
The correct answer is: No matter how much supply is produced, people's demands will always increase to exceed supply. No matter how much is produced, people will always wan more

Question 8b of 25 (2 Scarcity 203479)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following properties of economics results from the fact that people will always want more no matter how much is produced?

	Choice	Feedback
*A.	There is scarcity that cannot be eliminated.	Correct! Scarcity cannot be eliminated from the game of economics.
B.	Buying low and selling high is always possible.	
C.	Voluntary exchanges will always lead to a fair price.	
D.	Supply and demand will eventually be in balanc with each other.	

Global Incorrect Feedback
The correct answer is: There is scarcity that cannot be eliminated. Scarcity cannot be

Question 8c of 25 (2 Scarcity 203480)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best explains why resources need to be allocated in the game of economics?

	Choice	Feedback
A.	There are always different production methods the same goods and services.	
*B.	There are not enough resources to produce all of the goods and services that everyone wants.	Correct! Scarcity makes allocation decisions necessary.
C.	Natural resources are often found in places far from where they are used for production.	
D.	If sufficient resources are not set aside for futur production, scarcity cannot be eliminated.	

Global Incorrect Feedback
The correct answer is: There are not enough resources to produce all of the goods and services that everyone wants. Scarcity makes allocation decisions necessary.

Question 9a of 25 (1 Capitalism 203482)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: A capitalist country has which of the following economic systems?

	Choice	Feedback
*A.	ree-market	Correct! Capitalism is another name for the free-market system.
B.	Command	
C.	lanned	
D.	Socialist	

Global Incorrect Feedback
The correct answer is: Free-market. Capitalism is another name for the free-market system.

Question 9b of 25 (1 Capitalism 203483)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is another term for a planned economy?

	Choice	Feedback
A.	Free-market system	
B.	Capitalist economy	
*C.	Socialist system	Correct! In socialist countries, government planners run the economy.
D.	Mixed economy	

Global Incorrect Feedback
The correct answer is: Socialist system. In socialist countries, government planners run tl

Question 9c of 25 (1 Capitalism 203484)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: A mixed economy is a combination of which of the following economic systems?

	Choice	Feedback
A.	Communism and socialism	
B.	Capitalism and anarchism	
*C.	Free-market and command	Correct! A mixed economy combines free-market and command principles.
D.	Planned and command	

Global Incorrect Feedback
command. A mixed economy combines free-market and command principles.

Question 10a of 25 (2 Circular flow model 203485)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best demonstrates the way consumers and producer influence each other in the free-market system?

	Choice	Feedback
A.	A flow chart	
*B.	A circular flow model	and producers influence each other in a circular fashion.
C.	An assembly line	
D.	A downward spiral	

Global Incorrect Feedback
The correct answer is: A circular flow model. In free-market system, consumers and producers influence each other in a circular fashion.

Question 10b of 25 (2 Circular flow model 203486)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best explains why the circular flow model characteriz the free-market system?

	Choice	Feedback
A.	Producers recycle products discarded by producers.	
B.	Production decisions follow the cycles of nature.	
*C.	Consumers and producers influence each other in a circular fashion.	Correct! In a free-market system, consumers and producers influence each other.
D.	Profits flow in a circular way back and forth between different producers.	

Global Incorrect Feedback
producers influence each other in a circular fashion. In a free-market system, consumers and producers influence each other.

Question 10c of 25 (2 Circular flow model 203487)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Because the choices of consumers influence producers and the choices of producers also influence consumers, the free-market system has which of t

	Choice	Feedback
*A.	A circular flow of influence	Correct! The free-market system is characterized by a circular flow model.
B.	A built-in process of growth	
C.	A tendency toward equality	
D.	Only two kinds of players	

Global Incorrect Feedback
The correct answer is: A circular flow of influences. The free-market system is characterized by a circular flow model

Question 11a of 25 (3 laws in a free-market 203488)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best explains why the government makes and enforc laws in a free-market system?

	Choice	Feedback
A.	Workers pressure the government to guarantee minimum wages.	
B.	The government needs to plan efficient outcomes.	
*C.	Laws against theft, fraud, and coercion are needed to protect free choice.	Correct! Without laws to protect people, choices might not be made freely.
D.	Competition among producers by itself cannot ensure a wide range of consumer choices.	

Global Incorrect Feedback
The correct answer is: Laws against theft, fraud, and coercion are needed to protect free choice. Without laws to protect people, choices might not be made freely.

Question 11b of 25 (3 laws in a free-market 203489)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following government actions is necessary to guarantee the conditions required for a free-market system?

	Choice	Feedback
*A.	Laws against theft, fraud, and coercion.	Correct! Without laws to protect people, choices might not be made freely.
B.	Decisions allocating natural resources.	
C.	Low taxes on producers' profits.	
D.	Protection of market forces.	

Global Incorrect Feedback
The correct answer is: Laws against theft, fraud, and coercion. Without laws to protect people, choices might not be made freely.

Question 11c of 25 (3 laws in a free-market 203490)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best states the purpose of the laws against theft, fraud, and coercion that exist in a free-market society?

	Choice	Feedback
A.	To stimulate growth	
B.	To guarantee efficiency	
C.	To ensure innovation	
*D.	To protect free choice	government in a free-market society is to protect free choice.

Global Incorrect Feedback
The correct answer is: To protect free choice. The main purpose of the government in a free-market society is to protect free choice

Question 12a of 25 (1 Different economic systems 203612)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2
Question: Match the descriptions of different economic systems with their correct name.

Choice Text	Correct Match	Match Text
A. An economic system run by the government	B.	Mixed economy
B. An economic system that uses both free-market and command principles	C.	ree-market economy
C. An economic system where decisions are made by producers and consumers	A.	lanned economy

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct!

Global Incorrect Feedback
The correct answer is: An economic system run by the government : Planned economy; An economic system that uses both free-market and command principles : Mixed economy; An economic system where decisions are made by producers and consumers : Free-market

Question 12b of 25 (1 Different economic systems 203613)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2
Question: Match the economic system with the players who are responsible for the important economic decisions.

Choice Text	Correct Match	Match Text
A. Command economy.	C.	vernment officials and individual citize
B. Free-market system.	B.	Consumers and producers.
C. Mixed economy.	A.	Government planners.

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct!

Global Incorrect Feedback
The correct answer is: Command economy : Government planners; Free-market system : Consumers and producers; Mixed economy :

Question 12c of 25 (1 Different economic systems 203614)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2
Question: Match the economic system with the actions performed by the government in that system.

Choice Text	Correct Match	Match Text
A. Socialist country	A.	oviding equality of wealth
B. Planned economy	B.	Making allocation decisions
C. Free-market system	C.	Protecting freedom of choice

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct!

Global Incorrect Feedback
The correct answer is: Socialist country : Providing equality of wealth; Planned economy : Making allocation decisions; Free-market system

Question 13a of 25 (3 Socialism 203495)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following does the government do in a socialist country?

	Choice	eedback
*A.	Set prices for goods and services.	Correct! Under socialism, the government sets prices.
B.	nsure free choice for consumers.	
C.	Guarantee property rights.	
D.	rotect the profit motive.	

Global Incorrect Feedback
The correct answer is: Set prices for goods and services. Under socialism, the government sets prices.

Question 13b of 25 (3 Socialism 203496)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following *cannot* be done by the government in a command economy?

	Choice	Feedback
A.	Allocating resources for maximum production.	
B.	Setting wages for workers.	
C.	Assigning production goals to producers.	
*D.	Deciding what goods consumers buy.	Correct! In a command economy, the government can decide what is available to buy, but consumers still freely choose what

Global Incorrect Feedback
The correct answer is: Deciding what goods consumers buy. In a command economy, the government can decide what is available to bu but consumers still freely choose what they bu

Question 13c of 25 (3 Socialism 203497)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following goals does the government pursue in a socialist economic system?

	Choice	Feedback
A.	Growth	
*B.	Equity	economy in order to ensure a certain level of equity amon the citizens.
C.	Security	
D.	Efficiency	

Global Incorrect Feedback
The correct answer is: Equity. In a socialist country, the government runs the economy in order to ensure a certain level of equity among the citizens.

Question 14a of 25 (2 Cost benefit analysis 203501)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Cost-benefit analysis is a process that involves which of the following?

	Choice	Feedback
A.	Calculating a budget for each expense.	
*B.	Maximizing benefits and minimizing costs.	Correct! Cost benefit analysis helps to maximize benefits.
C.	Accurately predicting the effects of every decision.	
D.	Determining the profit that results from product decisions.	

Global Incorrect Feedback
The correct answer is: Maximizing benefits and minimizing costs. Cost benefit analysis helps to

Question 14b of 25 (2 Cost benefit analysis 203502)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following describes the purpose of doing a cost-benefit analysis?

	Choice	Feedback
A.	To produce a spreadsheet predicting costs.	
*B.	To make a decision that maximizes benefits.	Correct! Cost-benefit analysis is useful whe you want to get the most out of a decision.
C.	To decide how much money to invest.	
D.	To calculate the high and low price for a good.	

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

Question 14c of 25 (2 Cost benefit analysis 203503)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Cost-benefit analysis is similar to which of the following?

	Choice	Feedback
*A.	Making a decision by listing pros and cons.	Correct! Pros and cons are like benefits and costs.
B.	Making decisions with a limited amount of information.	
C.	Using economic indicators to measure economic health.	
D.	Estimating prices to the nearest dollar.	

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

Question 15a of 25 (2 Cost benefit analysis 203510)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following results from the fact that costs and benefits are based on personal preferences?

	Choice	Feedback
A.	Different types of information lead to the same decision.	
B.	Monetary factors are more important than non-monetary factors.	
*C.	Both monetary and non-monetary factors are taken into account.	Correct! There are many factors that go into a person's calculation of costs and benefits.
D.	The benefits will always be greater than the costs.	

Global Incorrect Feedback
The correct answer is: Both monetary and non monetary factors are taken into account. There are many factors that go into a person's calculation of costs and benefits.

Question 15b of 25 (2 Cost benefit analysis 203511)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best explains why minimizing costs is a rational way to make decisions?

	Choice	Feedback
*A.	Paying a cost means doing without something good or accepting something bad.	Correct! Costs are whatever people want to avoid.
B.	The maximum benefit can only be obtained by paying the lowest cost possible.	
C.	People calculate costs differently from each oth	
D.	All costs lead to benefits that outweigh the costs.	

Global Incorrect Feedback
doing without something good or accepting something bad. Costs are whatever people want to avoid.

Question 15c of 25 (2 Cost benefit analysis 203512)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best describes the kinds of decisions that result from using cost-benefit analysis?

	Choice	Feedback
A.	An outcome that is rational if only monetary costs and benefits are included.	
B.	A maximum amount of profit for both producers and consumers.	
C.	A high sale price for producers and low buying price for consumers.	
*D.	An outcome with benefits that are greater than the costs.	Correct! Cost-benefit analysis is an attempt to maximize benefits.

Global Incorrect Feedback
The correct answer is: An outcome with benefi that are greater than the costs. Cost-benefit analysis is an attempt to maximize benefits.

Question 16a of 25 (1 Cost benefit analysis 203518)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Calculations of cost and benefit are always which of the following?

	Choice	Feedback
*A.	Subjective	Correct! The way people determine costs and benefits varies from one individual to another.
B.	Minimum	
C.	Rational	
D.	Resourceful	

Global Incorrect Feedback
The correct answer is: Subjective. The way people determine costs and benefits varies fro one individual to another.

Question 16b of 25 (1 Cost benefit analysis 203519)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Because calculations of cost and benefit are subjective, they can be describ by which of the following?

	Choice	Feedback
A.	Result in the best decision	
*B.	Vary from one person to another.	Correct! Subjective decisions are different for everybody.
C.	Require objective information.	
D.	Turn out the same for everybody.	

Global Incorrect Feedback
The correct answer is: Vary from one person to another. Subjective decisions are different for everybody.

Question 16c of 25 (1 Cost benefit analysis 203520)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following pairs of words best describes using cost-benefit analysis?

	Choice	Feedback
A.	Physical and intellectual	
B.	Efficient and fair	
*C.	Rational and subjective	rational thinking but the calculations are different for everybody.
D.	Maximizing and minimizing	

Global Incorrect Feedback
Cost-benefit analysis is part of rational thinking but the calculations are different for everybody

Question 17a of 25 (1 Stagnation 203521)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: When the gross domestic product is neither growing nor shrinking, a countr economy is doing which of the following?

	Choice	Feedback
A.	Inflating	
B.	Producing	
*C.	Stagnating	rect! Stagnation is when there is neither an ease or decrease in GDP.
D.	Expanding	

Global Incorrect Feedback
The correct answer is: Stagnating. Stagnation when there is neither an increase or decrease in GDP.

Question 17b of 25 (1 Stagnation 203522)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which economic indicator can show whether a country's economy is growin or stagnating?

	Choice	Feedback
A.	Inflation Rate	
*B.	Gross Domestic Product	Correct! GDP measures overall economic activity.
C.	Corporate Profit Level	
D.	Unemployment Rate	

Global Incorrect Feedback
The correct answer is: Gross Domestic Product GDP measures overall economic activity.

Question 17c of 25 (1 Stagnation 203523)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: A country's economy is stagnating when the GDP is doing which of the following?

	Choice	Feedback
*A.	Neither rising nor falling	Correct! Stagnation is when there is neither an increase or decrease in GDP.
B.	Adjusted for inflation	
C.	Doubling each year	
D.	Increasing slowly	

Global Incorrect Feedback
The correct answer is: Neither rising nor falling Stagnation is when there is neither an increas or decrease in GDP.

Question 18a of 25 (2 Economic indicators 203525)

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 many goods are being sold to consumers?

	Choice	eedback
A.	Consumer Price Index	
*B.	Retail sales	orrect! Retail sales is the sale of good directly to consumers.
C.	New housing construction	
D.	Gross Domestic Product	

Global Incorrect Feedback
The correct answer is: Retail sales. Retail sales is the sale of goods directly to consumers.

Question 18b of 25 (2 Economic indicators 203526)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is measured by the inflation rate?

	Choice	Feedback
*A.	The percentage rise in price levels.	Correct! The inflation rate measures how fa prices are rising.
B.	The growth of housing construction.	
C.	The overall value of goods and services.	
D.	The amount of goods sold to consumers.	

Global Incorrect Feedback
The correct answer is: The percentage rise in price levels. The inflation rate measures how fast prices are rising.

Question 18c of 25 (2 Economic indicators 203527)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following economic indicators would be most useful for figuring out whether the economy is growing quickly or slowly?

	Choice	Feedback
A.	Inflation Rate	
B.	New housing construction	
C.	Corporate profits	
*D.	Gross Domestic Product	Correct! The GDP measures the overall activity in an economy.

Global Incorrect Feedback
The correct answer is: Gross Domestic Product The GDP measures the overall activity in an economy.

Question 19a of 25 (3 Economic indicators 203528)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: The Gross Domestic Product goes down when which of the following occurs?

	Choice	Feedback
*A.	Imports increase faster than exports.	Correct! Imports are subtracted from export to calculate GDP, so rising imports reduces
B.	Consumers spend more on luxury goods.	
C.	There are too many unemployed workers.	
D.	The government spends more than it takes in.	

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

Question 19b of 25 (3 Economic indicators 203529)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: The gross domestic product goes up when there is which of the following?

	Choice	Feedback
A.	Less government spending	
B.	A rising unemployment rate	
*C.	More investment in businesses	Correct! Investment is one component of GDP, so more investment increases GDP.
D.	A reduction in exports	

Global Incorrect Feedback
The correct answer is: More investment in businesses. Investment is one component of

Question 19c of 25 (3 Economic indicators 203530)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: The gross domestic product would increase significantly if which of the following occurred?

	Choice	Feedback
A.	Investment were halved.	
*B.	Consumption doubled.	component of GDP, so doubling consumption would significantly increase GDP.
C.	Taxes were cut in half.	
D.	Imports doubled.	

Global Incorrect Feedback
The correct answer is: Consumption doubled. Private consumption is a major component of GDP, so doubling consumption would

Question 20a of 25 (1 Methods 204400)

Maximum Attempts: 1
Question Type: Text Fill In Blank
Maximum Score: 2
Is Case Sensitive: false
Correct Answer: method, methods
Question: Technological advancement can come from improved devices or new ________.

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct! Technology may be a method or a device; it's anything that improves results.

Global Incorrect Feedback
The correct answer is: methods. Technology may be a method or a device; it's anything that improves results.

Question 20b of 25 (1 Methods 204401)

Maximum Attempts: 1
Question Type: Text Fill In Blank
Maximum Score: 2
Is Case Sensitive: false
Correct Answer: method, methods
Question: The two forms of technology are better devices and improved ________

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct! Technology may be a method or a device; it's anything that improves results.

Global Incorrect Feedback
The correct answer is: methods. Technology may be a method or a device; it's anything that

Question 20c of 25 (1 Methods 204402)

Maximum Attempts: 1
Question Type: Text Fill In Blank
Maximum Score: 2
Is Case Sensitive: false
Correct Answer: method, methods
Question: The assembly line is an example of a way that technology is improved by new ________.

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct! Technology may be a method or a device; it's anything that improves results.

Global Incorrect Feedback
The correct answer is: methods. Technology may be a method or a device; it's anything that improves results

Question 21a of 25 (3 Improved devices 204404)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2
Question: Match the more powerful device with the older device that it replaced.

Choice Text	Correct Match	Match Text
A. Microwave	C.	VCR
B. Telephone	A.	ove
C. DVD player	B.	Telegram

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct!

Global Incorrect Feedback
The correct answer is: Microwave : Stove; Telephone : Telegram; DVD player : VCR.

Question 21b of 25 (3 Improved devices 204405)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2
Question: Match the technological improvement with the benefit it brings.

Choice Text	Correct Match	Match Text
A. Hub-and-spoke network	A.	More efficient distribution
B. Mobile telephone	B.	nproved communication
C. Airplane	C.	Faster transportation

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct!

Global Incorrect Feedback
The correct answer is: Hub-and-spoke network : More efficient distribution; Mobile telephone : Improved communication; Airplane : Faster transportation.

Question 21c of 25 (3 Improved devices 204406)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2
Question: Match the area of improved results with the device that brings that improvement.

Choice Text	Correct Match	Match Text
A. Improved resolution	B.	Internet
B. Instant communication	C.	sembly line
C. Efficient production	A.	High-definition TV

Attempt	Incorrect Feedback
1st	

Correct Feedback
Correct!

Global Incorrect Feedback
The correct answer is: Improved resolution : High-definition TV; Instant communication : Internet; Efficient production : Assembly line.

Question 22a of 25 (2 Technology and productivity 203547)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Technological improvements lead to which of the followir

	Choice	Feedback
A.	Increased allocation	
*B.	Increased productivity	Correct! Advances in technology make the productive process faster and more efficient.
C.	Increased distribution	
D.	Increased security	

Global Incorrect Feedback
The correct answer is: Increased productivity. Advances in technology make the productive process faster and more efficient.

Question 22b of 25 (2 Technology and productivity 203548)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Consumers directly benefit from greater productivity because of which of th following?

	Choice	Feedback
A.	Older devices are replaced with newer versions more and more quickly.	
B.	Fewer workers are needed to produce more goods and services.	
*C.	Goods and services are produced faster and ca be sold more cheaply.	Correct! Greater productivity allows producers to produce more and charge lowe prices.
D.	The amount of natural resources needed to sustain human wants and needs decreases.	

Global Incorrect Feedback
The correct answer is: Goods and services are produced faster and can be sold more cheaply. Greater productivity allows producers to

Question 22c of 25 (2 Technology and productivity 203549)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Technological advancements can improve productivity by doing which of the following?

	Choice	Feedback
*A.	Developing machines that reduce the human eff needed to produce goods and services.	Correct! Reducing human effort helps reduc waste and speeds up production.
B.	Inventing powerful machines that are less dangerous to factory workers.	
C.	Lengthening the assembly line so that more workers can participate in production.	
D.	Introducing better methods of production that allow workers to earn higher wages.	

Global Incorrect Feedback
The correct answer is: Developing machines that reduce the human effort needed to produce goods and services. Reducing human effort helps reduce waste and speeds up production.

Question 23a of 25 (1 E-commerce 203551)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following best defines e-commerc

	Choice	Feedback
A.	Internet advertising	
*B.	Buying and selling online	people use the Internet to buy and sell goods and services.
C.	Electronic production	
D.	E-mail communication	

Global Incorrect Feedback
The correct answer is: Buying and selling onlin E-commerce takes place when people use the Internet to buy and sell goods and services.

Question 23b of 25 (1 E-commerce 203552)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: The practice of buying and selling goods and services over the Internet is known as which of the following?

	Choice	Feedback
*A.	E-commerce	people use the Internet to buy and sell goods and services.
B.	Auctioning	
C.	I-buying	
D.	Retail sales	

Global Incorrect Feedback
takes place when people use the Internet to buy and sell goods and services.

Question 23c of 25 (1 E-commerce 203553)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: E-commerce is an online form of which of the following?

	Choice	Feedback
A.	Gambling	
B.	Communication	
*C.	Retail sales	nducted on the Internet.
D.	Production	

Global Incorrect Feedback
Internet.

Question 24a of 25 (2 E-commerce 203554)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is one of the advantages consumers enjoy because o e-commerce?

	Choice	Feedback
*A.	The Internet makes it easy to compare prices.	Correct! It is easy to see how much differen sellers are charging for the same product.
B.	High-demand items sell out quickly.	
C.	There are fewer physical stores around.	
D.	Specialty products aren't widely available.	

Global Incorrect Feedback
easy to compare prices. It is easy to see how much different sellers are charging for the sam product.

Question 24b of 25 (2 E-commerce 203555)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following is one of the benefits e-commerce brings to consumers?

	Choice	Feedback
A.	Credit debt is more common.	
B.	Internet advertising is effective.	
C.	There are fewer stores to go to.	
*D.	Shipping gifts is easy.	Correct! When buying online, you can ship gifts without an extra trip to the post office.

Global Incorrect Feedback
The correct answer is: Shipping gifts is easy. When buying online, you can ship gifts without

Question 24c of 25 (2 E-commerce 203556)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following does the Internet provide for online customers?

	Choice	Feedback
A.	Security hazards	
B.	Distribution	
C.	Lower prices	
*D.	Convenience	Correct! Online shopping saves time and energy, making it much more convenient for many people.

Global Incorrect Feedback
The correct answer is: Convenience. Online shopping saves time and energy, making it

Question 25a of 25 (3 The Internet and economic decisions 203558)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: The Internet enables people to make better economic decisions because th can do which of the following?

	Choice	Feedback
A.	Avoid the information overload that makes it harder to choose one thing over another.	
B.	Retrieve information quickly so that instant gratification is more possible.	
*C.	Get the information that is necessary for makin good choices.	Correct! Information is crucial for making good decisions.
D.	Find out whether or not certain products involve both monetary and non-monetary costs.	

Global Incorrect Feedback
The correct answer is: Get the information that is necessary for making good choices.

Question 25b of 25 (3 The Internet and economic decisions 203559)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: The Internet influences the economic decisions people make because of wh of the following?

	Choice	Feedback
A.	E-commerce reduces the amount of competition among producers.	
*B.	The information that is accessible allows consumers to consider every available option.	Correct! Information is crucial for making good decisions.
C.	Advertising on the Internet is much easier to ignore than other advertising.	
D.	Consumers are too busy handling the overflow e-mail to make well-informed choices.	

Global Incorrect Feedback
The correct answer is: The information that is accessible allows consumers to consider every available option. Information is crucial for making good decisions.

Question 25c of 25 (3 The Internet and economic decisions 203560)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: The Internet helps consumers make well-informed decisions because of whi of the following?

	Choice	Feedback
*A.	It provides the information that is crucial for making good choices.	Correct! The Internet gives people easier access to more information, making well-
B.	E-commerce makes it more convenient to purchase goods.	
C.	It speeds up the pace of both production and consumption.	
D.	Private financial information can be handled more securely.	

Global Incorrect Feedback
The correct answer is: It provides the information that is crucial for making good choices. The Internet gives people easier access to more information, making well-informed decisions more likely.