

Name: \_\_\_\_\_

Date: \_\_\_\_\_

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1. The westward migration (movement) of settlers during the 1800s greatly affected the lives of Native Americans. Which statement describes one way in which Native Americans were affected?

- A. Native Americans began to hunt buffalo rather than grow crops.
- B. Native Americans grew wealthy from trade with white settlers.
- C. Native Americans were forced off their land.
- D. Native Americans moved away from reservations.

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2. Which of the following situations will MOST LIKELY make the price of an item go down?

- A. The price of the natural resources needed to make the item increases.
- B. The supply of the item is greater than the demand for it.
- C. The price of the labor needed to make the item increases.
- D. The demand for the item is greater than the supply of the item.

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3. The things needed to produce goods and services are called the factors of production. The factors of production include capital (machines), labor, and

- A. government decisions.
- B. workers' skills.
- C. land resources.
- D. buyers' needs.

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4. During the 1800s, the Industrial Revolution changed America. A major change that happened because of the Industrial Revolution was an increase in goods that were

- A. made in factories instead of in small shops and homes.
- B. sold in small stores and shops.
- C. made in small shops and homes instead of in factories.
- D. sold in large stores and businesses.

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5. A factory makes 100 cars a day. They sell quickly, and dealers have lists of people wanting to buy the car. The factory owner decides to hire more workers and make 150 cars a day. This is an example of

- A. buying and bartering.
  - B. specialization.
  - C. supply and demand.
  - D. mechanization.
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6. People have different roles in our economic system—producer, provider, consumer, and investor. The person who buys stock in a company is

- A. an investor.
  - B. a consumer.
  - C. a provider.
  - D. a producer.
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7. The factors of production is a term used for all the elements that go together to produce goods and services. Which factor of production is the term used to describe natural resources?

- A. land
  - B. labor
  - C. capital
  - D. consumption
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8. Both natural resources and human resources are used in economics. Which of the following is an example of a natural resource?

- A. water
  - B. workers in a factory
  - C. investors in a company
  - D. money
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9. What is the definition of "economics"?

- A. the study of human behavior and attitudes
  - B. the study of past events and the impact they have had on people
  - C. the study of political and social interactions
  - D. the study of the production and distribution of goods and services
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10. Many things go together to produce goods and services. Someone has to get an idea for something to sell (a product). What do we call the skills of workers and the hours they work to make the product?

- A. investment
- B. capital
- C. market
- D. labor

**Answer Key**

1. C) Native Americans were forced off their land.
2. B) The supply of the item is greater than the demand for it.
3. C) land resources.
4. A) made in factories instead of in small shops and homes.
5. C) supply and demand.
6. A) an investor.
7. A) land
8. A) water
9. D) the study of the production and distribution of goods and services
10. D) labor