

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

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

---

1. 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

---

2. 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.

---

3. 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.

---

4. 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.

---

5. 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.
-

6. 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.
- 

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
- 

8. Trade is the exchange of goods and services. International trade sometimes involves the use of tariffs. Tariffs are

- A. a tax on imports.
  - B. goods shipped to a country.
  - C. a tax on exports.
  - D. goods shipped from a country.
- 

9. In economics, there are imports and exports. An import is

- A. merchandise shipped to a foreign country.
  - B. a tax on goods shipped to a foreign country.
  - C. merchandise shipped from a foreign country.
  - D. a tax on goods shipped from a foreign country.
- 

10. In economics there are exports and imports. Which of the following is an example of a United States export?

- A. a television made in China and sold in the United States
- B. a car made in Mexico and sold in Mexico
- C. a radio made in the United States and sold in the United States
- D. a computer made in the United States and sold in Indonesia

**Answer Key**

1. D) labor
2. A) an investor.
3. B) The supply of the item is greater than the demand for it.
4. C) Native Americans were forced off their land.
5. A) made in factories instead of in small shops and homes.
6. C) land resources.
7. A) land
8. A) a tax on imports.
9. C) merchandise shipped from a foreign country.
10. D) a computer made in the United States and sold in Indonesia