

Name: _____

Date: _____

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.

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. 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

4. 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

5. 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
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6. 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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7. Land, labor, and capital (machines) are used to produce goods and services. These are known as

- A. natural resources.
 - B. the laws of consumption.
 - C. the law of supply and demand.
 - D. the factors of production.
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8. 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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9. One of the important parts of economics is interdependence. Which of the following is an example of interdependence?

- A. People make their own clothing.
 - B. People often move to places that aren't as crowded.
 - C. People need goods and services provided by other people.
 - D. People grow their own food.
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10. Which of the following is an example of economics?

- A. The government of the United States is divided into three branches.
- B. The United States declared its independence from Great Britain.
- C. The people of the United States come from many different places.
- D. The United States buys oil for use at home from other countries.

Answer Key

1. C) Native Americans were forced off their land.
2. A) an investor.
3. D) the study of the production and distribution of goods and services
4. D) labor
5. D) a computer made in the United States and sold in Indonesia
6. A) made in factories instead of in small shops and homes.
7. D) the factors of production.
8. A) land
9. C) People need goods and services provided by other people.
10. D) The United States buys oil for use at home from other countries.