ARKANSAS ECONOMICS · UNIT 1 · 5 QUESTIONS

Microeconomics — Practice Test

This practice test was made by AI and there may be mistakes. If a question or answer looks wrong, use the Flag a mistake button to let Brett know so he can fix it.

1 **Family portrait of parents with their two young children. A family must choose between a vacation and home repairs because its income cannot pay for both This choice illustrates**



A Scarcity

B Surplus

C Inflation

D Recession

Understand It with Pulse

Flag a mistake

2 **If the price of soybeans falls, demand for fertilizer, a related input, will most likely**

- A Rise
- B Fall
- C Stay the same
- D End

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3 **When demand is elastic, a rise in price will cause total revenue to**

- A Rise
- B Stay the same
- C Fall
- D Become zero

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4 **A minimum wage set above the equilibrium wage most likely creates**

- A A shortage of workers
- B No change
- C Equilibrium
- D A surplus of workers

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5 **A price floor for milk set above the equilibrium price most likely creates**

- A A shortage
- B A surplus
- C No change
- D Lower supply

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ANSWER KEY

1. A
2. B
3. C
4. D
5. B

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