CALIFORNIA ECONOMICS · UNIT 1 · 5 QUESTIONS

Microeconomics and Market Systems — 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 **Standard red octagonal STOP road sign, front view, the word STOP in clean white capital letters, mounted on a plain metal pole, large in frame and centred, plain pale sky background, no people, bright daylight. Which of these is a factor of production called capital?**



A A delivery van

B A farm worker

C A business idea

D A plot of land

Understand It with Pulse

Flag a mistake

2 **Moving resources from making cars to making trucks means giving up some cars. This is an example of a**

A Tradeoff

B Price floor

C Public good

D Surplus

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3 **When incomes rise, the whole demand curve for a normal good**

A Disappears

B Shifts left

C Stays fixed while buyers move along it

D Shifts right

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4 **For an inferior good, when incomes rise, demand**

A Rises

B Falls

C Stays the same

D Ends

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5 **Demand for a necessity with few substitutes changes little when its price changes. Its demand is**

A Unitary

B Perfect

C Elastic

D Inelastic

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ANSWER KEY

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

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