

1-If the resources , goods, and services are distributed according to the economy's highest valued uses, a(n)is efficient.

1. assumption 2. prediction 3. allocation 4. saving

2-The branch of economics that studies the entire economy, topics as aggregate production, unemployment, inflation and business cycles is called...

1. macroeconomics 2. microeconomics
3. normative economics 4. positive economics

3-In economics, we assume that people do not intentionally make decisions that will leave them worse off. This is known as the...

1. rationality assumption 2. self satisfactin
3. ceteris paribus 4. behavioral economics

4-A special sort of human effort that takes on the risk of bringing labor, capital and land together and organizing production is called.....

1. consumption 2. entrepreneurship
3. normative economics 4. human behavior

5-Which one is the most basic concept in all of economics?

1. low income 2. scarcity 3. resources 4. opportunity cost

6-If a nation experiences economic growth, the.....curve will move outward.

1. trade-off 2. opportunity
3. cost 4. production possibility

7-Two goods are.....when a change in price of one causes an opposite shift in the demand for the other.

1. complements 2. substitutes 3. commodity 4. available

8-We havewhen a given level of inputs is used to produce the maximum output possible.

1. efficiency 2. failure 3. trouble 4. competition

9-Which one is not an example of a public good?

1. national defence 2. police protection
3. automobile 4. highway

10- Unemployment resulting from a poor match of workers' abilities and skills with current requirements of employers is..... unemployment.

1. seasonal 2. cyclical 3. frictional 4. structural

11- The real rate of interest is defined as the.....rate of interest minus the.....rate of inflation.

1. real, anticipated 2. nominal, anticipated
3. real, unanticipated 4. nominal, unanticipated

12- An individual who used to work full-time but left the labor force and has now reentered it looking for a job is

1. job loser 2. reentrant 3. debter 4. new entrant

13- When we compute GDP by adding up all Rial value at current market prices of all final goods and services, we have used the approach.

1. psychological 2. behavioral 3. social 4. expenditure

14- Which one is any use of today's resources to expand tomorrow's production or consumption?

1. Gross private domestic investment 2. Investment
3. Capital goods 4. Fixed Investment

15- Consumer goods that have a life span of more than three years are.....goods.

1. intermediate 2. nondurable 3. durable 4. final

16- An official institution that serves as a country's treasury's bank is called.....

1. private bank 2. central bank 3. public bank 4. save bank

17- Which one is one of the most important function of money?

1. medium of exchange 2. unit of accounting
3. store of value 4. standard of deferred payment

18- A business owned by one individual who makes the business decision, receives all the profits and is legally responsible for the debts of the firm is....

1. revenue 2. corporation 3. partnership 4. proprietorship

19- Which one is designed to show a business entity's financial position-what it owns and what it owes-on a particular date?

1. Income Statement 2. Statement of owner's equity
3. Balance sheet 4. Company's revenues

