

Microeconomics for Curious Minds

Microeconomics · Practice Test · 20 Questions

1. What is the economic term for when there is not enough of a resource to meet everyone's wants?

- A) Scarcity
- B) Abundance
- C) Surplus
- D) Waste

2. In economics, what is the 'opportunity cost' of choosing to play with a toy instead of reading a book?

- A) The price of the toy
- B) The fun you missed from reading the book
- C) The time of day
- D) The book's color

3. What is a 'good' in economics?

- A) Being kind to others
- B) A physical object that people want
- C) Doing a chore for someone
- D) A feeling of happiness

4. When someone cleans your room for money, what is that work called?

- A) A good
- B) A product
- C) A service
- D) An investment

5. What does a 'producer' do?

- A) Buys things at a shop
- B) Makes or provides things for others
- C) Decides the weather
- D) Only eats food

6. What is the person who buys and uses a good or service called?

- A) A consumer
- B) A producer
- C) A manufacturer
- D) A government

7. Which of these is a 'natural resource' used to make products?

- A) A plastic robot
- B) A wooden chair
- C) Water from a river
- D) A metal coin

8. If a store has too many of an item that nobody wants, what is that called?

- A) Scarcity
- B) Surplus
- C) Demand
- D) Need

9. What is 'barter'?

- A) Trading one item directly for another
- B) Buying things with coins
- C) Asking for a gift
- D) Borrowing money

10. What is the main purpose of money in an economy?

- A) To decorate a wallet
- B) To make things heavy
- C) To act as a medium of exchange
- D) To play games with

11. What do we call the things people must have to survive, like water and shelter?

- A) Wants
- B) Needs
- C) Luxuries
- D) Extras

12. If the price of a toy goes up very high, what usually happens to the number of people who buy it?

- A) It goes up
- B) It goes down
- C) It stays the same
- D) It disappears forever

13. What is a 'market'?

- A) A place where people trade goods and services
- B) A place to hide
- C) A type of school
- D) A game of tag

14. What are the tools and machines used to make other goods called?

- A) Natural resources
- B) Capital goods
- C) Consumer goods
- D) Wants

15. What is 'demand' in economics?

- A) How much people want to buy something
- B) How much a store hides
- C) How many people work
- D) The name of a toy

16. When a baker uses flour to make bread, what is the flour?

- A) A finished good
- B) A raw material
- C) A service
- D) A toy

17. Which of these is a 'want' rather than a 'need'?

- A) Drinking water
- B) A fancy video game
- C) Eating healthy food
- D) Wearing warm clothes

18. What do we call the skill and effort people use to produce goods?

- A) Labor
- B) Money
- C) Waste
- D) Buying

19. What happens to the supply of apples if a storm destroys the apple trees?

- A) The supply goes up
- B) The supply goes down
- C) The supply stays the same
- D) Apples become free

20. What does the 'price' of an item tell us?

- A) How heavy it is
- B) How much it costs to acquire
- C) Who made it
- D) What color it is