

Introduction to Economics Concepts

Economics · Answer Key · 6 Questions

1. List any TWO factors of production.

- A) Land and Labor**
- B) Capital and Entrepreneurship
- C) Demand and Supply
- D) Money and Banks

2. List TWO examples of government expenditure.

- A) Building schools and roads
- B) Purchasing goods and services
- C) Providing subsidies
- D) All of the above**

3. List any TWO examples of consumer spending.

- A) Buying groceries and clothes
- B) Purchasing a new car
- C) Paying rent
- D) All of the above**

4. List the TWO flows that occur through the goods market in the circular flow.

- A) Money flow and goods flow**
- B) Income flow and expenditure flow
- C) Production flow and consumption flow
- D) Factor flow and product flow

5. List any TWO markets in the circular flow.

- A) Goods market and factor market
- B) Labor market and capital market
- C) Product market and resource market
- D) All of the above**

6. List TWO methods in calculating GDP.

- A) Expenditure approach and income approach**
- B) Production approach and consumption approach
- C) Market approach and value-added approach
- D) All of the above