



JA Economics®

Quiz: Post-Theme 2.1: Consumers Rule

Circle the best answer for each question.

1. **A box of 6 granola bars costs \$3, which is 50 cents a bar. A box of 36 granola bars costs \$6, which is 17 cents a bar. Consumers pay less when they buy in bulk because of which economic concept?**
 - a. demand price signals
 - b. supply
 - c. diminishing marginal utility
 - d. opportunity cost
2. **An economist would probably state that in a market economy, prices are generally determined by the interaction between _____.**
 - a. wholesalers and retailers
 - b. producers and labor unions
 - c. buyers and sellers
 - d. consumers and government officials
3. **People make voluntary exchanges of goods and services in a free market mainly because they _____.**
 - a. expect to be better off as a result of an exchange
 - b. anticipate a time when exchanges will be more costly
 - c. follow laws of economics that require frequent exchanges
 - d. view exchanges as a good way to compete with other parties
4. **Demand is best defined as the measure of how much consumers are able and willing to buy _____.**
 - a. at one price in a given period of time
 - b. at different possible prices in a given period of time
 - c. above the equilibrium price at a given time
 - d. according to their income and budget over time

5. **The price of orange juice continues to rise over several months. An economist would probably state that if the situation continues, people would most likely purchase _____.**
- a. substitutes for orange juice
 - b. different brands of orange juice
 - c. greater quantities of orange juice
 - d. more orange juice products over time
6. **Demand for a product tends to be price-inelastic when the product has _____.**
- a. few if any substitutes
 - b. substantial market value
 - c. more consumers than suppliers
 - d. fixed instead of flexible prices
7. **Sandy sells sandwiches. She tracks the different prices people are willing and able to pay for the same kind of sandwich. Only one person wanted the sandwich for \$8. This is an example of _____.**
- a. quantity
 - b. quality
 - c. diminishing marginal utility
 - d. quantity demanded
8. **The demand curve shows an inverse, or negative, relationship between _____.**
- a. elastic or inelastic prices
 - b. price and quantity supplied
 - c. price and quantity demanded
 - d. short-run and long-run prices
9. **If the price of water increases, _____.**
- a. the demand for desert-type landscaping will shift to the left
 - b. the demand for water will shift to the left
 - c. the demand for water-saving shower heads will shift to the right
 - d. the demand for bath soap will shift to the right

10. **What is likely to increase the demand for peanut butter?**

- a. fewer children in the population
- b. news that insects have destroyed much of the peanut crop
- c. big increase in the price of jelly
- d. a report from the Surgeon General of the United States that eating peanut butter is unhealthy