

JA Economics®

Quiz: Post-Theme 2.2: Producers Provide

Circle the best answer for each question.

1. **A supply line shows that, in a market economy, consumers get more of a product by _____.**
 - a. paying lower prices until producers give them more of what they want
 - b. having government force businesses to produce more
 - c. writing letters to convince businesses to increase production
 - d. offering producers more money in exchange for the product
2. **In economics, the term supply refers to _____.**
 - a. the quantity of a good or service a producer must sell to earn a profit
 - b. the quantity of a product that people want to buy
 - c. the quantity of an item offered for sale at a particular price
 - d. the quantities of a good or service a producer is willing and able to sell at different possible prices
3. **Product X is in high demand. The price of Product X rises by 15 percent. The most likely result of these events would be an increase in _____.**
 - a. supplier output
 - b. natural resources
 - c. consumer demand
 - d. government intervention
4. **There are three major manufacturers of cell phones. Company A made 1 million phones in a year. Company B made 2 million phones in a year. Company C made 3 million phones in a year. The 6 million phones produced by the three companies are referred to as _____.**
 - a. quantity supplied
 - b. quantity demanded
 - c. supply
 - d. incentive

5. **If the prices double this year for the cost of wheat, rice, barley, and horses, which one of the four products would be the most inelastic?**
- a. wheat
 - b. rice
 - c. barley
 - d. horses
6. **What would NOT shift the supply line of car washing services to the right?**
- a. Businesses introduce more efficient washing and drying equipment.
 - b. Workers at car washes become able to wash more cars per hour than before.
 - c. The price of water goes up.
 - d. The number of car washing businesses increases.
7. **If a city government sets price controls on how much rent apartments can charge, who immediately benefits?**
- a. landlords
 - b. senior citizens
 - c. the city
 - d. renters
8. **The market equilibrium price is the price at which _____.**
- a. surpluses depress the number of goods supplied
 - b. shortages and surpluses will have no effect on the market
 - c. the government will not intervene in the market
 - d. the quantity demanded is the same as the quantity supplied
9. **To an economist, what would affect the level of competition in any given marketplace?**
- a. the number of sellers in the market
 - b. the number of buyers in the market
 - c. the amount of government regulation in the market
 - d. all of the above

10. Which attribute is most often associated with a monopoly market structure?

- a. Competitors enter the market easily.
- b. Products sell at higher prices.
- c. Consumers have a wide variety of choices.
- d. Innovation increases.