1. In the “Market in Wheat” game, which of the following factors was the most important in students securing the largest individual profits?
   a. Number of trades
   b. Ability to auction wheat correctly
   c. Always trying for the highest/lowest price
   d. Getting rid of bad cards quickly

2. In the “Market in Wheat” game, which of the following best describes what would happen in a round where we limited the amount of sellers (5 sellers, 25 buyers)?
   a. Buyers would be able to drive up the price in order to get their wheat.
   b. Sellers would be able to drive down the price in order to get rid of their wheat.
   c. Sellers would be able to drive up the price because there is a limited amount of wheat.
   d. Buyers would be able to drive down the price because sellers would be desperate to get rid of the wheat.

3. In the “Market in Wheat” game, which of the following best describes what would happen in a round where we only allowed trading at the lowest prices?
   a. Buyers and sellers would make equal profits.
   b. Most buyers would make large profits, most sellers would lose money.
   c. Most sellers would make large profits, most buyers would lose money.
   d. Most buyers would make large profits, Most sellers would make large profits.

4. The supply schedule shows the relationship between which two elements?
   a. The price of a good and the quantity of that good a company is willing to produce at that price.
   b. The price of a good and the cost of producing that good.
   c. The price of a good and the number of consumers who would buy the good at that price.
   d. The price of a good and its opportunity cost.

5. The law of demand states:
   a. As income increases, people consume more of all goods.
   b. The demand for a good increases with the number of consumers in the market.
   c. As the price of a good decreases, consumers generally purchase more of that good.
   d. The supply of a good increases in proportion to the demand for it.

6. What are inferior goods?
   a. Goods that are not well produced.
   b. Goods that no one wants to buy.
   c. Goods where the demand falls when income falls.
   d. Goods where the demand falls when income rises.

7. The demand for exercise equipment has increased as America becomes more health conscious. This is due to which determinant?
   a. substitutes
   b. complements
   c. income
   d. tastes and preferences

8. As more new families move to Lake Zurich, the number of students in our schools increase. This is due to which determinant?
   a. income
   b. population
   c. tastes and preferences
   d. complements
9. The price of chicken decreases, resulting in cheaper chicken McNuggets. This is due to:
   a. cost of inputs  
   b. price of related outputs  
   c. technology  
   d. number of firms

10. Wilson builds a new factory to make more basketballs. This increase in supply is due to what determinant?
   a. Income  
   b. Population  
   c. Size of Industry  
   d. Technology

11. Which of the following products could be considered “related outputs”?
   a. Table lamps and floor lamps  
   b. Computer chips and computers  
   c. Milk and Chocolate syrup  
   d. Peanut Butter and Jelly

12. Celery and Ranch Dip would be an example of
   a. substitutes  
   b. complements  
   c. tastes  
   d. preferences

13. Which of the following are substitutes?
   a. Peanut Butter and Jelly  
   b. Denim Jeans and Denim Jackets  
   c. Fords and Chevrolets  
   d. Apples and Peanut butter

14. Which of the following is not a determinant of demand?
   a. price of complements  
   b. cost of production  
   c. tastes and preferences  
   d. income level of consumers

15. Which of the following is not a determinant of the supply of peanut butter?
   a. The price of peanuts.  
   b. The wages of workers at the peanut factory.  
   c. The price of peanut butter substitutes.  
   d. Existing peanut butter-making technology.

16. Congress lowers the Personal Income Tax rate, which of the following take place?
   a. Supply Up  
   b. Supply Down  
   c. Demand Up  
   d. Demand Down

17. The assembly line at Toyota Motor Corporation breaks down. Which of the following takes place?
   a. Supply Up  
   b. Supply Down  
   c. Demand Up  
   d. Demand Down

18. The Pleather Company makes pleather couches & purses. The price of pleather couches increases, what happens with pleather purses?
   a. Supply Up  
   b. Supply Down  
   c. Supply shifts right  
   d. Supply shifts left

19. Price of Gatorade falls, what happens with PowerAde?
   a. Supply Up  
   b. Supply Down  
   c. Demand Up  
   d. Demand Down

20. The price of houses increases, what happens to the housing market?
   a. Supply Down  
   b. Supply Up  
   c. Demand Up  
   d. No Change
21. Justin Beiber advertises for McDonald’s so no one goes there.
   a. Supply Up  
   b. Supply Down  
   c. Demand Up  
   d. Demand Down  

22. A bubonic plague like disease is infecting and killing cats across the world. What happens with cat food?
   a. Supply Up  
   b. Supply Down  
   c. Demand Up  
   d. Demand Down  

23. If there is an increase in demand, what happens to the price of the product?
   a. falls  
   b. rises  
   c. shifts right  
   d. shifts left  

24. If there is a decrease in the quantity demanded, what happened to the price?
   a. fell  
   b. rose  
   c. stayed the same  
   d. A bottomless pit.  

25. If there is an increase in the quantity supplied, what happened to the price?
   a. fell  
   b. rose  
   c. stayed the same  
   d. shifted right  

26. A shift in the demand curve for sailboats due to an increase in consumer incomes will lead to?
   a. higher prices  
   b. lower prices  
   c. a shift in the supply curve  
   d. lower output  

27. A shift in the supply curve of bicycles resulting from higher steel prices will lead to
   a. higher prices  
   b. lower prices  
   c. a shift in the demand curve  
   d. higher output  

28. Which of these will cause the demand for Wilson tennis balls to increase?
   a. An increase in the price of Penn tennis balls.  
   b. A decrease in the price of Penn tennis balls.  
   c. An increase in the price of tennis racquets.  
   d. An increase in cost of making tennis balls.  

29. There will be a movement along a fixed supply curve if which one of the following changes?
   a. price  
   b. Lower production cost.  
   c. price of related outputs  
   d. size of the industry  

30. If equilibrium price and quantity both decrease it is likely that.
   a. Supply curve has shifted to the right.  
   b. Demand curve has shifted to the right.  
   c. Demand curve has shifted to the left.  
   d. Supply curve has shifted to the left.  

31. Which of the following will lead to a shift in the supply curve for Chevrolet cars?
   a. Import restrictions on Japanese cars.  
   b. New environmental protection measures raise the cost of producing steel.  
   c. A decrease in the price of Fords.  
   d. Increases in the cost of gasoline.
32. If the price of oil, a close substitute for coal, increases, then
   a. The supply curve for coal will shift to the right.
   b. The demand curve for coal will shift to the right.
   c. Equilibrium price and quantity of coal will not change.
   d. The quantity of coal demanded will decrease.

33. Which of the following would cause the demand curve of a product to shift to the left?
   a. An increase in the price of a substitute.
   b. A decrease in the price of a complement
   c. A decrease in the population eligible to buy the product.
   d. An increase in the incomes of consumers.

34. Which of the following would cause the price of a product to increase?
   a. New technology to make the product.
   b. More companies making the product.
   c. The sales of a substitute increasing.
   d. The price of a complement decreasing.

35. Which of the following would cause the quantity supplied of a product to decrease?
   a. An increase in the price of a related output
   b. An increase in the price of a complement
   c. An increase in the price of a substitute
   d. An increase in the advertising budget for the product.

36. Price Ceilings generally result in the development of:
   a. surpluses
   b. unemployment
   c. minimum wage
   d. black markets

37. Rent controls are a type of
   a. price ceiling
   b. rationing
   c. price floor
   d. surplus

38. What happens when wages are set above the equilibrium level by law?
   a. Firms tend to try to break the law and hire people at the equilibrium level.
   b. Firms employ more workers than they would at the equilibrium wage.
   c. Firms employ fewer workers than they would at the equilibrium wage.
   d. Firms hire more workers but for fewer hours than they would at the equilibrium wage.

39. Which scenario might have applied for an increase in demand of a BK Whopper?
   a. Cost of meat increases.
   b. Burger King opens more restaurants.
   c. French fries at BK decrease in price.
   d. A health conscious America stops going to BK.

40. Which scenario might have applied for an increase in supply of BK Whoppers?
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The following questions relate to the graphs below.

**Supply and Demand for Chicago Bears Pennants**

41. There is a strike by workers at the Bears Pennant Processing Plant.
   a. Graph A  
   b. B  
   c. C  
   d. D

42. The Bears win the Super Bowl!!!!
   a. A  
   b. B  
   c. C  
   d. D

43. Congress raises the income tax rate for all middle class Americans.
   a. A  
   b. B  
   c. C  
   d. D

44. The cost of the fabric used in making the pennants has increased.
   a. A  
   b. B  
   c. C  
   d. D

45. Chicago is buried in snow for two months and everyone moves to Miami.
   a. A  
   b. B  
   c. C  
   d. D

46. The Chicago Bears sweep the Packers and all of the fair-weather Packer fans become Bears fans.
   a. A  
   b. B  
   c. C  
   d. D

**Short Answer Questions**
*answer on a separate sheet of paper, place your name on the paper & turn in when finished.

1. Explain why a change in demand is not the same as a change in quantity demanded. Use a graph if it helps you explain your answer.

2. Draw a graph showing elastic demand and a separate graph showing inelastic demand. Give an example of a product for each graph.

**Extra Credit**
3. The federal government currently spends over 15 billion dollars a year fighting the “War on Drugs”. Approximately 80% of this amount (12 billion) is spent on fighting the supply of drugs, and 20% (3 billion) fighting demand. Economists think the government has it backwards. Why?

**Feedback**
What has been the best and/or most interesting part(s) of this class so far? Conversely, what is the worst part(s) or something that can be improved?