

Name: \_\_\_\_\_

Date: \_\_\_\_\_

### **Test #4 - Economics Study Guide**

- Answer all questions on a separate sheet of paper and in complete sentences. No Online submissions.
- Study guide is regular grade worth 75 points
- Study guide is also your test extra credit worth 10 points
- You CANNOT receive extra credit if your study guide is late
- Study guide is due on Test day
- You should use your notes, handouts, and textbook to help you complete the study guide
- You will staple your study guide to this sheet when you hand it in

#### **Government Finances:**

1. The Federal Government's fiscal year runs from what date to what date?
2. Explain mandatory spending for the federal government:
3. Explain discretionary spending for the federal government:
4. What are the three types of taxes the US government collects?
5. What are the four items that are excised taxed?
6. What are proportional taxes? What are progressive taxes? What are regressive taxes?
7. Which states do not have sales taxes?
8. What is intergovernmental revenue?
9. List five of the state and local government expenditures:

#### **Personal Finance – Checking, Credit, Budgeting, etc.:**

10. What are fixed costs? Give an example in your personal budget that would be a fixed cost:
11. What are variable costs? Give an example in your personal budget that would be a variable cost:
12. How many items need to be filled in on a check? What are those items?
13. What is a budget?
14. What is a trade off? What are some tradeoff's that a person must make in their individual budget?
15. What is disposable income? What is discretionary income?
16. What is consumerism? What is comparison shopping?
17. List the five items in the consumer bill of rights:
18. What is credit? What is open end credit? What is closed end credit? What is APR?
19. What are the positives and negatives of home buying? Renting?
20. Define the following terms: Tenant, Dwelling, Land Lord, Lease, Lender, Borrower, Interest
21. If you were to purchase a home at 6% interest rate, for \$282,000, what would your monthly payment be before taxes/mortgage insurance etc. were added to the cost?
22. If you were to purchase a home at a 7% interest rate, for \$349,000.00, what would your monthly payment be before taxes/mortgage insurance etc. were added to the cost?
23. What are the pros and cons of buying a new car vs. a used car? Of leasing a car vs. buying a car?

#### **Advertising and Businesses:**

24. What are unfinished claims? Give an example:
25. What are weasel words? Give an example:

26. What is snob appeal? Give an example:
27. What is a testimonial? Give an example:
28. What is a sole proprietorship?
  - a. Pros & Cons
29. What is a Partnership?
  - a. Pros & Cons
30. What is a corporation?
  - a. Pros & Cons
31. What is a Cooperative?
  - a. Pros & Cons
32. Explain and illustrate the business cycle:

### **The Stock Market:**

33. What is a stock? What is a share? What is par value? What is a shareholder?
34. What is the stock exchange? What is a stock broker?
35. What is common stock? What is preferred stock?
36. What is the Duct East India Company?

### **Supply & Demand:**

37. What is demand? What is a demand schedule? What is a demand curve? What is the law of demand?
38. What is market demand? What are some of the factors that affect demand?
39. What is a substitute? What is a compliment?
40. What is demand elasticity? What is inelastic demand?
41. What is supply? What is the law of supply? What is a supply schedule? What is a supply curve?
42. What is market supply? What are the factors that affect supply?
43. What is supply elasticity?
44. How does supply and demand work together? What is equilibrium price?
45. What is a surplus? What is a shortage? What is the price ceiling? What is the price floor?
46. What is minimum wage? What is scarcity?
47. What is a trade off? Give an example:
48. What is opportunity cost? Give an example:
49. How do you find total cost? What is total revenue? What is marginal revenue?
50. What is a cost benefit analysis?

### **Economics:**

51. What is macroeconomics? What is microeconomics?
52. What are wants? Give some examples:
53. What are needs? Give some examples:
54. What are goods? Give some examples:
55. What are services? Give some examples:
56. What are the four factors of production?
57. What are the four main types of economies?
58. What is GDP?