1. The U.S. economy is referred to as a:
   A. market economy
   B. traditional economy
   C. command economy
   D. none of the above

2. Costs and benefits are an important component of:
   A. the labor force
   B. assets
   C. the economic way of thinking
   D. factors of production

3. Comparative advantage is related to:
   A. dividends
   B. trade
   C. time value of money
   D. insurance

4. Productivity is NOT related to:
   A. business cycle
   B. revenue
   C. Gross Domestic Product
   D. reserve requirements

5. Which one is NOT a goal of monetary policy?
   A. reasonable rates of economic growth
   B. low taxation levels
   C. full employment
   D. price stability
6. Banks have reserve requirements so that:
   A. they can increase profits
   B. they have enough money on hand for customers
   C. they can increase productivity
   D. all of the above

7. The equilibrium price refers to:
   A. the consumer price index
   B. supply and demand
   C. the money supply
   D. time value of money

8. A tariff on an imported good or service can:
   A. cause a recession
   B. decrease trade
   C. lower the discount rate
   D. increase trade

9. To be counted as part of the labor force, you must be 21 or older.
   True
   False

10. Open Market Operations can affect the money supply.
    True
    False