

Economics: Chapter 1 Test Review

1. What is Economics?
2. Why do we study economics?
3. Identify the factors of production and give an example of each.
4. Who are entrepreneurs?
5. What is a trade-off? Why do they occur? Give an example.
6. What are opportunity costs?
7. Draw and label a PPG.
8. What does the PPG show?
9. What are “guns and butter” decisions?
10. What does it mean to think at the margin?
11. What does a decision making grid show us?