SECTION ONE: MULTIPLE CHOICE

1. A movement from a market economy towards a mixed economy is a
   a. shift right
   b. shift left
   c. shift up
   d. shift down

2. China used to have a(n)
   a. market economy
   b. mixed economy
   c. planned economy
   d. economic continuum

3. Supply of a product involves producers. Demand for a product involves
   a. price
   b. economy
   c. markets
   d. consumers

4. Education, health care, and postal services are funded by the government because
   a. they are for the public good
   b. they are considered essential
   c. they are expensive
   d. all of the above

5. “Canadian filmmakers should get government grants because Canadians need Canadian
   stories.” This is the opinion of a
   a. planned economist
   b. market economist
   c. mixed economist
   d. social economist
6. Which of the following is a tactic to put on employers to respond to issues that concern workers?
   a. strike
   b. lay off
   c. closure
   d. union

7. Labour laws in Canada prevent employers from hiring children
   a. under the age of fourteen
   b. full time
   c. without permission from parents or guardians
   d. part time

8. A market economist would view a union as
   a. contributing to fair economic decision making
   b. holding society hostage and pricing workers out of jobs
   c. illegal with no economic decision making
   d. necessary to maintain order and good government

9. Which of the following occurs when workers in different sectors of the economy, in a particular place, organize to stop working at the same time?
   a. Recession
   b. Collective bargaining
   c. Labour union
   d. general strike

10. The government uses money collected from__________ to pay for social services, education, and health care.
    a. unions
    b. taxes
    c. employers
    d. wages
11. Which of the following was a worldwide economic crisis that occurred in the 1930s?
   a. women’s suffrage  
   b. the Great Depression  
   c. Passchendaele  
   d. The New Deal

12. Radio-Canada is an example of
   a. a Canadian radio station  
   b. a publicly owned business  
   c. a Crown corporation  
   d. a French broadcasting company

13. Which of the following is a founding principle of the U.S.?
   a. government involvement  
   b. individualism  
   c. environmentalism  
   d. co-operation

14. The Canadian Wheat Board is considered by some people to be a government_______.
   a. market  
   b. agency  
   c. monopoly  
   d. owned business

15. Which of the following is a sum of money given to Canadian artists by the government?
   a. grant  
   b. gift  
   c. retainer  
   d. mortgage
16. Protectionism as discussed in the cartoon would mean
   a. to increase the trade of goods from Canada to the United States
   b. to increase the trade of goods from the United States into Canada
   c. to decrease the sales of Canadian goods in the United States, and United States goods in Canada
   d. to decrease the sales of Mexican goods in the United States and Canada

17. The cartoonist’s message about protectionism for Canada is
   a. Canada has a greater ability to harm the United States through protectionism
   b. the United States has a greater ability to harm Canada though protectionism
   c. protectionism carries no risk for either Canada or the United States
   d. protectionism is consistent with the principles of the NAFTA agreement

**TO WHAT EXTENT DO DIFFERENT ECONOMIC SYSTEMS AFFECT QUALITY OF LIFE**
18. The purpose behinds the poster being carried by President Obama is
   a. to increase the sale of Canadian products
   b. to increase the sale of American products
   c. to decrease the trade deficit with Canada
   d. to decrease the impact of fossil fuels on the American environment

19. In the opinion of the cartoonist the "Buy Only American " plan will
   a. succeed because the United States can supply all of its own energy needs
   b. succeed because the United States has enough readily available alternative energy sources
   c. fail because the United States has only Canada as a source of fossil fuels
   d. fail because the United States relies heavily on Canadian fossil fuels to meet their energy demands

TO WHAT EXTENT DO DIFFERENT ECONOMIC SYSTEMS AFFECT QUALITY OF LIFE
20. The man saying the quote has which attitude regarding regulations in the market place

a. they are unnecessary as consumers are more knowledgeable than producers
b. they are unnecessary as competition in the marketplace protects consumers
c. they are necessary as producers are more knowledgeable than consumers
d. they are necessary to protect local producers from foreign competition

21. In which system would this businessman feel most comfortable?

a. The market economy, due to its high level of regulation
b. The command economy, due to its high level of regulation
c. The market economy, due to its low level of regulation
d. The command economy, due to its low level of regulation
Use the following cartoon to answer questions 22-23

22. The person in the bottom left of the cartoon is meant to represent

   a. an environmentalist
   b. an entrepreneur
   c. an economist
   d. a politician

23. The author of the cartoon has what attitude about the person in the bottom left?

   a. Respect because the person is looking into the long term impacts of their choices
   b. Respect because the person is approaching the business idea from a sustainable resource approach
   c. Disrespect because the person has no concern for the profitability of the business being considered
   d. Disrespect because the individual is more concerned about short term profit than the long term impacts of the business model

TO WHAT EXTENT DO DIFFERENT ECONOMIC SYSTEMS AFFECT QUALITY OF LIFE
Use the following cartoon to answer questions 24-25

24. What statement would the cartoonist make about the spending habits of the couple?
   a. They are reasonable based only on their needs
   b. They are reasonable based on both needs and wants
   c. They are too high, but based on their needs
   d. They are too high, based on their wants

25. What does the cartoonist believe will be happening in the future?
   a. The couple will suffer financial hardship unless they adjust their spending
   b. The couple will be able to sustain their current spending habits
   c. The couple will adjust their spending on their needs
   d. The couple will adjust their spending on their wants
SECTION TWO: VOCABULARY

26. Scarcity
27. Economics
28. Consumers
29. Producers
30. Supply
31. Demand
32. Competition
33. Equilibrium Price
34. Perfect Competition
35. Imperfect Competition
36. Oligopoly
37. Exclusive Contract
38. Geographical Monopoly
39. Collective Agreement
40. Monopoly

a. A few firms dominate in a large market for a given product or service
b. That is the point where supply produced and quantity meets demanded
c. When a single producer controls the supply of a product or service
d. An agreement between labour and management that outlines conditions of employment for a defined period of time
e. Due to location, a specific supplier of a good or service has the same advantages as a true monopoly
f. The wants and needs of consumers for products and services
g. A system where products are grouped together according to quality and the products are put up for sale for bidding
h. A producer has the exclusive right to provide a good or service at a location in exchange for a fee
i. The products and services created by producers
j. Those who purchase goods and services
k. The science that investigates problems arising from the scarcity of resources
l. Those who produce goods and services
m. The rivalry among producers to sell products and services to consumers
n. The most common form of competition in the marketplace provides similar products at similar prices
o. The situation created by the dynamic of limited resources versus unlimited wants

TO WHAT EXTENT DO DIFFERENT ECONOMIC SYSTEMS AFFECT QUALITY OF LIFE
SECTION THREE: TRUE AND FALSE /10

41. The two basic “factors of production are supply and demand.

42. Canada has a market economy and the U.S. has a mixed economy.

43. The North American Free Trade Agreement is an example of a “shift right” because it supports less government involvement in the economy.

44. Competition and monopoly mean the same thing. They both happen when one producer controls all supply of a product or service.

45. Canada’s position on the economic shifts between a mixed economy and a market economy.

46. Pensions for senior citizens and publicly funded health care are examples of a “shift left.”

47. The importance of consumer choice is one similarity between mixed and market economics.

48. As the demand for a product goes up, the supply goes down. As the supply goes down, so does the price of the product.

49. It is illegal for producers to “fix” the prices of their products.

50. Because of unions, Canada has labour laws, such as standards for wages, hours, safety, and holidays.

SECTION FOUR: SHORT ANSWER /22

51. Identify and explain the three factors of production. /3

52. Identify the three basic economic questions. /3

53. Identify and explain the four basic economic systems. /4

54. Explain the difference between the powers of a mediator and an arbitrator. /2

55. Explain the difference between a strike and a lockout? /2

56. Explain the term crown corporation. Give an example of a federal crown corporation. /3
57. In a paragraph response, explain the concept of the public good, demonstrate understanding of both the left and right approaches to meeting the public good, and explain which approach you support and why. /5

Rubric for a paragraph marking

- Definition of public good: 1 possible mark
- Demonstration of the two approaches to solving the public good: 2 possible marks
- Selection and reasoning for support of one of the public good directions: 1 possible mark