

Directions: Answer the following question(s).

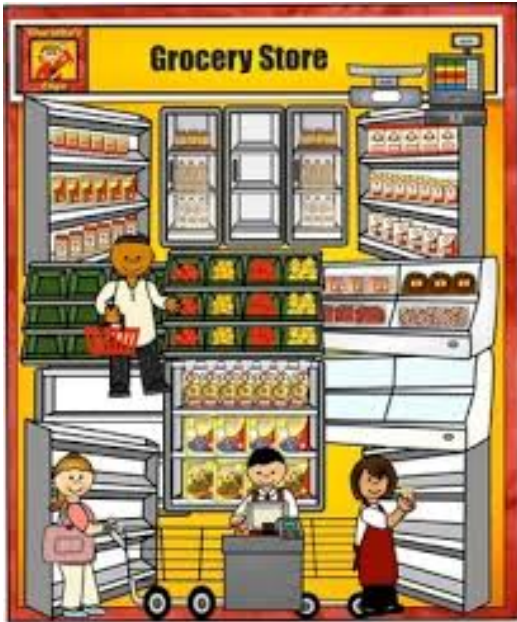
- 1 What happens to the price of a product if consumers demand more of it?
- A. The price goes up.
  - B. The price stays the same.
  - C. The price goes down.
- 2 Which incentive has the Michigan government offered people in order to increase recycling efforts?
- A. paying two dollars for picking up trash
  - B. paying fifty cents for collecting newspapers
  - C. paying ten cents for returned pop bottles
- 3 Most companies need natural, human and capital resources to function. Which of the following is an example of a **natural resource** for a motor company?
- A. machinery
  - B. loans
  - C. water
- 4 When producing goods, which type of resource are machines and buildings?
- A. natural
  - B. capital
  - C. human
- 5 What do you predict might happen as a result of more wind turbines being built in Michigan?
- A. more jobs would be created
  - B. less electricity would be available
  - C. there would be less jobs

Directions: Answer the following question(s).

- 6 Government uses state taxes to provide various goods and services for their citizens. Which of the following goods are likely to be provided by the government?
- A. Shoes
  - B. Cars
  - C. Roads
- 7 When people break state laws they have to pay a fine to the state government. What is one reason for this?
- A. The government needs to fund services and uses some of the fines to pay for them.
  - B. The government likes to fine people who break the law.
  - C. Fines are important for the people breaking the law.
- 8 Which of the following is the BEST reason why car manufacturing companies were located near highways and rivers?
- A. It's easier for workers to get to work.
  - B. It's easier to transport the goods they produce.
  - C. The workers can go on vacation much quicker.
- 9 Agriculture is another word for farming. Celery, corn, potatoes, carrots, cherries, and plants are grown on farms in Michigan. What is the **main** reason for so many farms in Michigan?
- A. to share the crops with family
  - B. to sell the crops for money
  - C. to eat a variety of foods

Directions: Read the passage below and answer the question(s) that follow.

## Resources Grocery Store



- 10 Which of the following is a **capital resource** in the picture of the grocery store?
- A. the cashier
  - B. the scale
  - C. the customer
- 11 Which of the following is a **human resource** in the picture of the grocery store?
- A. the cashier
  - B. the scale
  - C. the milk

Directions: Answer the following question(s).

- 12 If you go into a supermarket in Michigan, you will find oranges from Florida. If you are in Florida, you might see apples from Michigan. What is the reason for this?
- A. Different places grow different crops depending on their climate.
  - B. People in Florida like apples more than oranges.
  - C. People in Florida and Michigan have a law about sharing fruits.
- 13 Patti and Mary own a business making apple butter. One year there was not enough apples due to a late freeze. They could not make apple butter that year. What is the term for this shortage of apples?
- A. opportunity cost
  - B. scarcity
  - C. demand
- 14 What is the main reason for tourist areas located near lakes?
- A. the temperature is usually warm
  - B. there are many activities to do
  - C. the area is good for farming
- 15 Visiting cities and using the lakes are two activities that bring in tourism in Michigan. Explain how each of these activities make money for the state of Michigan.

Write your answer in the space below.