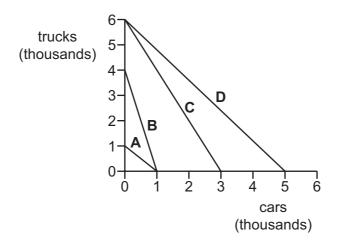
- 1 The demand for a product is inversely related to its price, ceteris paribus.
  - What does ceteris paribus mean in this context?
  - **A** Factors affecting demand other than price are held constant.
  - **B** Factors affecting price other than demand are held constant.
  - **C** Price changes result from changes in demand.
  - **D** Price falls result in increased quantity demanded.
- 2 What is **not** an example of the role of the factor enterprise in a modern economy?
  - A deciding on new export markets for the company's goods and services
  - **B** making payments to suppliers for raw materials and capital goods
  - **C** reducing costs through the introduction of a new shift system for employees
  - **D** transforming the production process with the introduction of robots
- 3 The production possibility curves show the abilities of four economies to produce trucks and cars.

In which economy is the opportunity cost of producing cars lowest?



- **4** John sells cakes for \$10. Aisha offers online tutoring for \$20 per hour. One hour of Aisha's tutoring is worth two of John's cakes.
  - Which function of money is being illustrated?
  - A medium of exchange
  - **B** standard of deferred payment
  - **C** store of value
  - **D** unit of account