

Final exam of Introduction to economy

1- TRUE (T) / FALSE (F) QUESTIONS

5 points

- T 1- Economics studies how scarce resources are used.
- F 2- Human wants are limited.
- T 3- Land, labor, and capital are scarce resources.
- F 4- Needs are things people want but can live without.
- T 5- Ibn Khaldun is the forgotten father of economics because he paved the way for modern economics, not Adam Smith." ✓
- F 6- Economic growth is the same as economic development.
- T 7- Wants include items like smart phones and big houses.
- P 8- Scarcity exists only in poor countries.
- T 9- Choice is necessary because resources are limited.
- F 10- Capital refers only to money.
- T 11- Labor means physical and mental human effort.
- T 12- Sustainable development meets present needs without harming future generations.
- T 13- Adam Smith is known as the father of modern economics.
- T 14- A free market economy has no government involvement at all.
- T 15- In a planned economy, decisions are made by the government.
- T 16- All economies in reality are mixed economies..
- T 17- Merit goods are good for society, like education and healthcare.
- T 18- Development means better life.
- F 19- Demerit goods are always beneficial for people.
- T 20- Economic growth means an increase in national output.
- T 21- ~~Development includes freedom and opportunities.~~

2- Give the difference between:

(14 points)