

Do You Think Like an Economist?

Circle T for *true* or F for *false* in the statements that follow.

- T F 1. Because it is desirable, sunshine is scarce.
- T F 2. Because it is limited, polio is scarce.
- T F 3. Because water covers three-fourths of the earth's surface and is renewable, it cannot be considered scarce.
- T F 4. The main cost of going to college is tuition, room and board.
- T F 5. If mass transportation fares are raised, almost everyone will take the trains anyway.
- T F 6. You get what you pay for.
- T F 7. If someone makes an economic gain, someone else loses.
- T F 8. If one nation produces everything better than another nation, there is no economic reason for these two nations to trade.
- T F 9. A nonregulated monopoly tends to charge the highest possible price.
- T F 10. A business owner's decision to show more care for consumers is a decision to accept lower levels of profits.

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