



# Economics Basics

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Grade: Grade 3

## Part A: Multiple Choice

Circle the best answer for each question.

1. A lemonade stand runs out of cups on a hot day. Many customers are still waiting. What will most likely happen?

- A) The price of lemonade will drop.
- B) The stand will give lemonade away free.
- C) The stand owner may raise the price.
- D) Customers will stop being thirsty.

2. Emma walks dogs after school and earns ten dollars each week. What is this ten dollars called?

- A) spending
- B) income
- C) supply
- D) opportunity cost

3. Which example best shows a trade-off?

- A) Buying both a hat and a scarf.
- B) Finding a dollar on the ground.
- C) Choosing to buy a game instead of a book because you only have enough money for one.
- D) Getting a gift from a friend.

4. A shoe factory makes sneakers and ships them to stores. In this example, the factory is a \_\_\_\_\_?

- A) consumer
- B) service provider
- C) saver
- D) producer

## Part B: Fill in the Blank

Write the correct answer on each line.

1. A bus driver who takes people to work each day provides a \_\_\_\_\_.
2. When lots of stores sell the same toy, the \_\_\_\_\_ of that toy is high.
3. If you save three dollars each week for four weeks, you will have \_\_\_\_\_ dollars.
4. A parent who buys school supplies for the family is acting as a \_\_\_\_\_.
5. An ice cream cone on a hot day is a \_\_\_\_\_ because you can survive without it.

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- A) The price of lemonade will drop.
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- C) **The stand owner may raise the price.**
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2. Emma walks dogs after school and earns ten dollars each week. What is this ten dollars called?

- A) spending
- B) **income**
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3. Which example best shows a trade-off?

- A) Buying both a hat and a scarf.
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4. A shoe factory makes sneakers and ships them to stores. In this example, the factory is a \_\_\_\_?

- A) consumer
- B) service provider
- C) saver
- D) **producer**

### Part B: Fill in the Blank

Write the correct answer on each line.

1. A bus driver who takes people to work each day provides a service .
2. When lots of stores sell the same toy, the supply of that toy is high.
3. If you save three dollars each week for four weeks, you will have twelve dollars.
4. A parent who buys school supplies for the family is acting as a consumer .
5. An ice cream cone on a hot day is a want because you can survive without it.