

Economics Study Guide

Name _____

If you are learning about how countries produce, distribute and consume goods and services, you are studying _____.

In a _____ economic system, private citizens make decisions about production, distribution and pricing. When the government makes these decisions, this is called a _____ economy. _____ economic systems base decisions on customs, traditions and social roles.

Why are Entrepreneurs called risk takers? Explain.

What do Entrepreneurs do? Give an example of one.

Give an example of a Capital Resource. Briefly describe why it is a good example.

Give an example of a Labor Resource. Briefly describe why it is a good example.

Give an example of a Natural Resource. Briefly describe why it is a good example.

Give an example of a service. Explain why your example is a service.

Give an example of a good. Explain why it is a good.

List the 3 questions answered by economic systems.

Economic systems that have features of both Command and Market economies are called _____ economies.

Explain what happens to the price of a good if the demand for it is higher than the supply available?

Tracey invents a hamburger maker that costs 12 dollars to make. This cost is 8 dollars for materials and 4 dollars for labor. She sets the price of the hamburger maker at 15 dollars. Which term best describes the 3 dollars Liz will earn when she sells the hamburger maker?

- A. investment
- B. profit
- C. demand
- D. inflation

In the situation above, which term best describes the 12 dollars Liz used to produce the hamburger maker?

- A. investment
- B. profit
- C. demand
- D. inflation