

## 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