Econ 12

Mr. K

After each term, mark on the line where you think the appropriate locus of control should rest. Note: If you choose the middle in each category, then you are saying you believe the government and the marketplace should be equal partners.

Scarcity
There's an item and more people want it than is available

G--M

Reason:

Incentives
The reason or motivation you have for making the choice or trade off

G--M

Reason:

Opportunity Costs
The most valuable thing you give up when you make a choice

G--M

Reason:

Utility
A measure of happiness

G--M

Reason:

Market
Any place where buyers and sellers meet

G---M

Reason:

Copyright
Protection over art and literature

G---M

Reason:

Patent
Protection of inventions
G---M

Reason:

Speculation
a prediction in a dramatic rise or fall in price

G---M

Reason:

Profit
the amount of money a company makes by providing a good or service

G---M

Reason:

Expenses
the portion of a companies profit that goes into paying employees covering supplies etc.

G---M

Reason:

Income Statement
a report showing a business's sales, expenses, and profit for a certain period of time

G--M

Reason:

Net Income
the amount of money left after taxes and expenses

G--M

Reason:

Interest
the fees paid to a bank or another lender for borrowing money

G--M

Reason:

Depreciation
an expense a firm takes on for wear and tear on its machines and other capital goods

G--M

Reason:

Cash Flow
Determined by adding net income plus non-cash charges like depreciation

G--M

Reason:

Franchise
Contracts in which a company sells individuals or other companies the right to use its name and business model and sell it products or services in return for a fee

G--M
Reason:

Merger
the combination of two or more companies to form a new company

G---M

Reason:

Fallacy
a belief that is based on an unsound argument that can lead a person to believe and support something that is not true, usually not based on facts

G---M

Reason:

GDP
Gross Domestic Product, measures the health of the economy

G---M

Reason:

Monetary Policy
The management of the money supply and interest rates

G---M

Reason:

Wants
desires that can be satisfied by consuming a good or service

G---M

Reason:

Needs
thing such as food, clothing, and shelter that are necessary for survival

G---M

Service
work that one person does for another for payment

G---M

Reason:

Goods
physical objects, such as food, clothing, and furniture, that can be purchased

G---M

Reason:

Scarcity
a situation that exists when there are not enough resources to meet human wants

G---M

Reason:

Competition
the effort of two or more people acting independently to get business by offering the best deal

G---M

Reason:

Resources
the collective wealth of a country or its means of producing goods and services

G---M

Reason:

Labor
all the human time ,effort, and talent used to produce goods and services

G---M
Reason:

Profit
the financial gain a seller make from a business transaction; the money left over after the costs of producing a product are subtracted from the income gained by selling the product

G--M

Reason:

Demand
the desire to have some good service and the ability to pay for it

G--M

Reason:

Supply
the willingness and ability of a producer to produce and sell a product

G--M

Reason:

Price Stability
The ability for an economy to battle inflation

G--M

Reason:

Natural resources
raw materials supplied by nature with no human alterations

G--M

Reason:

Factors of production
land, labor, capital, and entrepreneurial ability

G--M

What to produce
first of the three economic questions

G--M

Reason:

How to produce
second of the three economic questions

G--M

Reason:

What needs and wants will be satisfied
third of the three economic questions

G--M

Reason: