

Vocabulary

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1. scarcity-

* not having enough of something

2. limited resources-

* only having a certain amount of resources

3. unlimited wants-

* there is no end to how many things people want and need

4. human resources-

* people and the skills and knowledge they bring to their work

5. natural resources-

* materials from nature, such as trees or water, that people use

6. capital resources-

* things that are used to produce goods and service

7. opportunity cost-

* the thing you give up when you choose something else

8. economics-

* the study of the production, distribution, and consumption of goods and services

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9. economic system-

* the system a society uses to make economic decisions such as what to produce

10. market economy-

* An economic system where there is competition and price is determined by supply and demand

11. producer-

* someone who makes goods or services

12. consumer-

* someone who buys goods and services

13. profit-

* the money left over after expenses are paid

14. demand-

* the desire of consumers to buy a good or service

15. supply-

* the amount of a good or service that is available for consumers to buy

16. competition-

* when businesses sell the same good or service

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17. consumer sovereignty- * the desires and needs of consumers control what is produced

* What are some questions that economists ask? What is produced?
How is it produced? Who gets what is produced? What role does the government play in the economy?

