Core Concepts 5.2: Word Wise

Crossword Puzzle  The clues describe key terms from this section. Fill in the numbered Across boxes with the correct key terms. Then, do the same with the Down clues.

Across Down
1. an organized way for goods and services to be exchanged 5. a decline in economic growth for six or more months in a row
2. the money earned by selling goods and services 6. a general increase in prices over time
3. the act of a company concentrating on just a few goods or services
4. the money left after subtracting the costs of doing business
Core Concepts 5.3: Word Wise

Words In Context For each question below, write an answer that shows your understanding of the boldfaced key term.

1. What makes a person’s way of life important in a **traditional economy**?

2. Who makes economic decisions in a **mixed economy** and why?

3. How do new businesses benefit from the freedom of a **market economy**?

4. How does a **command economy** differ from a market economy?
Core Concepts 5.5: Word Wise

Sentence Builder  Complete the sentences using the information you learned in this section. Include terminal punctuation.

1. Grain is one example of an export from the United States because it is

2. You might trade your ________________ for ________________

3. Consumers benefit from free trade because ________________

4. China imports ________________ from ________________

5. An example of a tariff is a ________________

6. The purpose of a trade barrier is ________________
Sum It Up

Think About It  Use what you learned in this section to answer these questions about Myra and the way she uses her money.

1. Your friend Myra is given $100. She wants to invest half of it so she can earn some more money. What do you think is the best way for her to do this? Why?

2. Myra plans to use the other $50 to buy a new pair of headphones. How might competition and specialization among headphone producers affect her choice?

3. Assume that Myra lives in a command economy. How do you think her headphone choices might be different from those in a market economy?

4. Now assume that Myra lives in a developing country. How might the supply and demand for $50 headphones be different than in a developed country?