

# The Great Depression

## Outcome: The Business Cycle

1. **Business Cycle:** \_\_\_\_\_

2. **Phases within a Business Cycle:**

- Recession** (\_\_\_\_): a \_\_\_\_\_ - \_\_\_\_\_ in the economy for two consecutive quarters or \_\_\_\_\_ months in a row. People become \_\_\_\_\_ & \_\_\_\_\_.
- Depression** (\_\_\_\_): a \_\_\_\_\_ & \_\_\_\_\_ slow-down or “\_\_\_\_\_ - \_\_\_\_\_” in the economy. People react with \_\_\_\_\_ & \_\_\_\_\_.
- Recovery** (\_\_\_\_): active economic growth for two consecutive quarters or \_\_\_\_\_ months following a \_\_\_\_\_ or \_\_\_\_\_. People become \_\_\_\_\_.
- Prosperity** (\_\_\_\_): an \_\_\_\_\_ period of economic growth. People develop \_\_\_\_\_ & \_\_\_\_\_ in the economy.

3. \_\_\_\_\_ is a market economy driven by the laws of \_\_\_\_\_ and \_\_\_\_\_.

- \_\_\_\_\_ and human \_\_\_\_\_ create the **demand**.
- \_\_\_\_\_ create the **supply** hoping to achieve high \_\_\_\_\_.
- If demand is \_\_\_\_\_, prices & profits go \_\_\_\_\_. (New technology: iPads)
- If demand is \_\_\_\_\_, prices/profits go \_\_\_\_\_ (Outdated technology: PS2)

## Business Cycle: World War I to World War II

