

Name _____

Date _____

ECONOMICS STUDY GUIDE

Throughout this unit, we will be reading many picture books on the economics topics taught. We will also complete hands-on activities and practice sheets. These sheets can be found in your child's social studies folder. Please, feel free to access these to help with understanding. This study guide will help you focus your studying for our end of unit assessment.

Words to Know:

1. Economics – the system of producing and consuming goods and services and how people choose to use their resources.
 2. Needs – Something you must have to survive.
 3. Wants – Something you would like to have, but do not need for survival.
 4. Producer – The person who is making and selling the products in a marketplace.
 5. Consumer – The person who is buying or looking to buy products in a marketplace.
 6. Scarcity – When you lack enough resources to make the products that the consumers desire.
 7. Goods – Items that can be bought, sold, or traded.
 8. Services – A task you pay someone to do for you.
 9. Opportunity Costs – The cost of a choice that you make.
 10. Global Trade – The buying or selling of goods and services between countries around the world.
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WANTS	NEEDS
<ul style="list-style-type: none">• Toys• Games• Electronics• Vacations	<ul style="list-style-type: none">• Shelter• Food• Clothing• Air

Supply and Demand Principals:

When supply is low and demand is high...prices will go up.

For example: The newest iPhone is being sold in limited numbers. People are lining up at stores to purchase the product. Prices will be high.

When supply is high and demand is low...prices will go down.

For example: An older version of the iPhone is no longer wanted by the public, but stores still have many of them for sale. Prices will be low.

Scenario:

Lisa went to a concert with her friend. She wanted to buy a t-shirt but didn't have enough money. Lisa settled on a hat instead.

1. Who was the consumer? **Lisa**
 2. What was the opportunity cost? **the t-shirt**
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GOODS	SERVICES
<ul style="list-style-type: none">• Toys• Games• Food• Electronics• Books• Flowers	<ul style="list-style-type: none">• Hair Styling• Car Washing• Delivery Services• House Cleaning