

Economics Vocabulary – UNIT 7 chapters 18-21

1. *resources - the things used to make goods and provide services
2. natural resources - resources from nature - examples include: wood, soil ,and water
3. limited resources - when there is a shortage of resources, which effects the economic decisions that a country and its people will make
4. *consumer - the people who buy and use products
5. *Supply - amount of each good or service available to consumers
6. demand - amount of good or service that consumers are willing to buy
7. *Capital - the tools, buildings, and machines use to make goods and provide services
8. entrepreneur - someone who starts a new business
9. gross income - total amount of money a business makes
10. *profit - income remaining after a business has paid its expenses, taxes, and other costs
11. marketing - getting goods to consumers who want them
12. wholesaler - a business that buys goods from a manufacturer and then sells the goods to retailers.
13. *capitalism - an economic and political system in which a country's trade and industry are controlled by private owners for profit
14. fiscal policy - when the government taxes citizens and spends money
15. capitalist - businessman who uses capitalism
16. *economics - the study of how things are made, sold, bought and used
17. *free-market economy - an economy when individuals owns business and competition determines prices
18. *command economy - an economy controlled by the government
19. budget - estimate of income and expenditure (money spent) for a set period of time
20. *expenditures - money spent
21. deficit - losing money, spending more than you are making
22. balanced budget - making sure that you don't spend more than you make, and you make sure you have savings
23. *interest - a fee paid for the use of money