



## Lesson Four Vocabulary: Basics of the Economy

| TERM              | DEFINITION |
|-------------------|------------|
| Economy           |            |
| Inflation         |            |
| Supply vs. Demand |            |
| Natural Resources |            |
| Human Resources   |            |
| Capital Goods     |            |
| Entrepreneur      |            |
| Producer          |            |
| Consumer          |            |
| Import vs. Export |            |



## Lesson Four Vocabulary: Basics of the Economy [ANSWER KEY]

| TERM              | DEFINITION  |
|-------------------|---|
| Economy           | Organized way in which a society provides for the wants and needs of its people.  |
| Inflation         | Rise in the general levels of prices.   |
| Supply vs. Demand | <b>Supply:</b> Amount of an item produced for sale.<br><b>Demand:</b> Number of consumers who want and are able to buy an item. |
| Natural Resources | Resources supplied by nature.   |
| Human Resources   | Talents and skills of human beings  |
| Capital Goods     | Human-made materials that help produce products.  |
| Entrepreneur      | A person who has skill and leadership to start a new business and produce new products.   |
| Producer          | Someone/something that makes goods using the factors of production.   |
| Consumer          | Someone who buys and uses goods and services.   |
| Import vs. Export | <b>Import:</b> Taking in products from another country.<br><b>Export:</b> To sell products to another country.                  |