









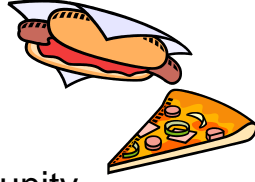
Big Ideas of Lesson 1, Unit 4

- People use resources to produce goods and services.
- Scarcity results because resources are limited and human wants are unlimited.
- Because of scarcity, people make choices about what goods and services to produce, how goods and services will be produced and who will get the goods and services.
- In answering the questions about what to produce, how to produce it, and who gets it, people create an economic system.

Word Cards

<p>1 scarcity</p> <p>not enough</p>  <p>Example: Sometimes families have a scarcity of money.</p> <p>(SS040401)</p>	<p>2 limited resources</p>   <p>There are only certain amounts of resources.</p> <p>Example: Water and oil are limited resources.</p> <p>(SS040401)</p>
<p>3 unlimited wants</p> <p>There is no end to the number of things people want and need.</p> <p>Example: People have unlimited wants.</p> <p>(SS040401)</p>	<p>4 human resources</p>   <p>workers and their skills</p> <p>Example: Truck drivers, doctors, and teachers are human resources.</p> <p>(SS040401)</p>
<p>5 natural resources</p>  <p>things in nature that people see as useful</p> <p>Example: Water, trees, and soil are natural resources.</p> <p>(SS040401)</p>	<p>6 capital resources</p>   <p>things that are used to produce more goods and services</p> <p>Example: Factories and tools are capital resources.</p> <p>(SS040401)</p>

7
opportunity cost



When you make a choice, your opportunity cost is the second thing you wanted most.

Example: Mary chose pizza for lunch. Her second choice was a hot dog. The hot dog was her opportunity cost.

(SS040401)

8
economics

the study of how individuals and societies use their scarce resources to get goods and services

Example: In economics you study topics such as economic systems, trade, and production.

(SS040401)

9
economic system

a system a society uses to answer the basic economic questions such as what to produce

Example: The United States has an economic system known as a market system.

(SS040401)