

ECONOMIC TERMS

ECONOMICS	HOW PEOPLE MANAGE THEIR RESOURCES BY PRODUCING, EXCHANGING, AND USING GOODS AND SERVICES.
SCARCITY	CONFLICT BETWEEN PEOPLE'S DESIRES AND THEIR LIMITED RESOURCES
CAPITALISM	FACTORIES AND BUSINESSES, WHICH ARE PRIVATELY OWNED, MAKE AND SELL GOODS. THE OWNERS MAKE THE DECISIONS ABOUT WHAT GOODS TO PRODUCE.
COMMUNISM	PROPERTY IS OWNED COLLECTIVELY AND LABOR IS ORGANIZED IN A WAY THAT IS SUPPOSED TO BENEFIT ALL PEOPLE.
ECONOMY	SYSTEM BY WHICH BUSINESS OWNERS IN A REGION USE PRODUCTIVE RESOURCES TO PROVIDE GOODS AND SERVICES TO SATISFY PEOPLE'S WANTS.
FREE ENTERPRISE/ MARKET ECONOMY	ECONOMY THAT ALLOWS BUSINESS OWNERS TO COMPETE IN THE MARKET WITH LITTLE GOVERNMENT INTERFERENCE.
PASTORALISM	A WAY OF LIFE IN WHICH PEOPLE RAISE CATTLE, SHEEP, OR GOATS AS THEIR PRIMARY ECONOMIC ACTIVITY.
SINGLE-PRODUCT ECONOMY	AN ECONOMY THAT DEPENDS ON JUST ONE PRODUCT FOR THE MAJORITY OF ITS INCOME.
MANORIALISM	PEASANTS WORKED ON A LORD'S LAND AND SUPPLIED HIM WITH FOOD IN EXCHANGE FOR HIS PROTECTION OF THEM.
SUPPLY AND DEMAND	THE PRICE OF A GOOD RISES OR FALLS DEPENDING ON HOW MANY PEOPLE WANT IT (DEMAND) AND DEPENDING ON HOW MUCH OF THE GOOD IS AVAILABLE (SUPPLY)
SOCIALISM	BUSINESSES AND INDUSTRIES AND OWNED COLLECTIVELY OR BY THE GOVERNMENT.
SUBSISTENCE FARMING	FARMING IN WHICH PEOPLE GROW FOOD MAINLY TO FEED THEIR HOUSEHOLDS RATHER THAN TO SELL.
FEUDALISM	A POLITICAL AND ECONOMIC SYSTEM IN WHICH LORDS GAVE LAND TO LESS POWERFUL NOBLES, CALLED VASSALS, IN RETURN FOR WHICH THE VASSALS AGREED TO PROVIDE VARIOUS SERVICES TO THE LORDS.
COMMAND ECONOMY	GOVERNMENT DECIDES HOW MANY OF WHICH GOODS ARE PRODUCED AND SETS THE PRICES.
TRADITIONAL ECONOMY	SOCIAL ROLES AND CULTURE DETERMINE HOW GOODS AND SERVICES ARE PRODUCED, PRICES, INDIVIDUAL INCOMES, AND WHICH CONSUMERS ARE ALLOWED TO BUY CERTAIN GOODS.

