

SECTION

1

RETEACHING ACTIVITY

Scarcity: The Basic Economic Problem

A. Comparing and Contrasting Economic Terms

For each pair of terms below, tell how the terms are similar and how they are different.

1. *wants/needs*

How they are similar _____ How they are different _____

2. *land/capital* _____

How they are similar _____ How they are different _____

3. *labor/entrepreneurship* _____

How they are similar _____ How they are different _____

4. *scarcity (as an economics term)/scarcity (as used in everyday speech)* _____

How they are similar _____ How they are different _____

B. Applying Economics Concepts

As indicated on the lines below, list the three economic questions that scarcity leads to. Then give an example of how our society answers each of these questions.

5. Question 1: _____

Example: _____

6. Question 2: _____

Example: _____

7. Question 3: _____

Example: _____