

Name:

Ent. 3209

H. Activity: Needs and Wants

Needs have been defined as goods or services that are required for survival. This includes the need for food, clothing, shelter, and health care, as well as the means to secure them. Wants are goods or services that are not necessary but are desired. You need clothes, but you do not need designer clothes.

1. Complete the checklist below, indicating whether the product is a need, a want, or both. Explain your selection.

Product	Need	Want	Explanation
Cellphone			
Concert tickets			
Medication to control high blood pressure			
Plumbing tools for a plumber			
Vehicle to attend school			
Bag of chips			

2. Discuss the following situations:

a) How does Christmastime shopping illustrate consumer spending on wants?

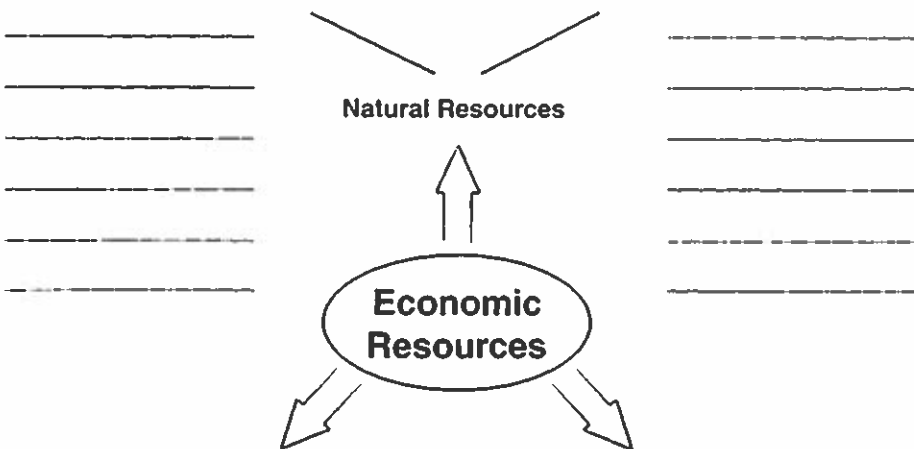
b) Explain how a want for one person can be a need for another. Provide an example.

c) In the 1920s, cars were a luxury good. Now many people feel that a car is a need. What factors can cause a good to evolve from a want to a need? Provide an example.

J. Chapter Notes: Economic Resources

Read the fourth section, Economic Resources (pages 22–28), in your textbook, and use the following organizer to help guide your note-taking. Then answer the question that follows.

1. Define each type of economic resource, and provide several examples.

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Capital Resources			Human Resources	
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2. Explain the importance of economic systems.

L. Chapter Notes: Demand, Supply, and Price

Read the fifth section, Demand, Supply, and Price (pages 28–32), in your textbook, and answer the following questions.

1. Explain the law of demand.

2. What conditions create demand?

3. Briefly explain the four factors that increase or decrease demand.

4. Explain the law of supply.

5. What conditions affect supply?

6. Briefly explain the five factors that can increase or decrease supply.

7. Explain the relationship of price to supply and demand.
