

Introduction to Economics

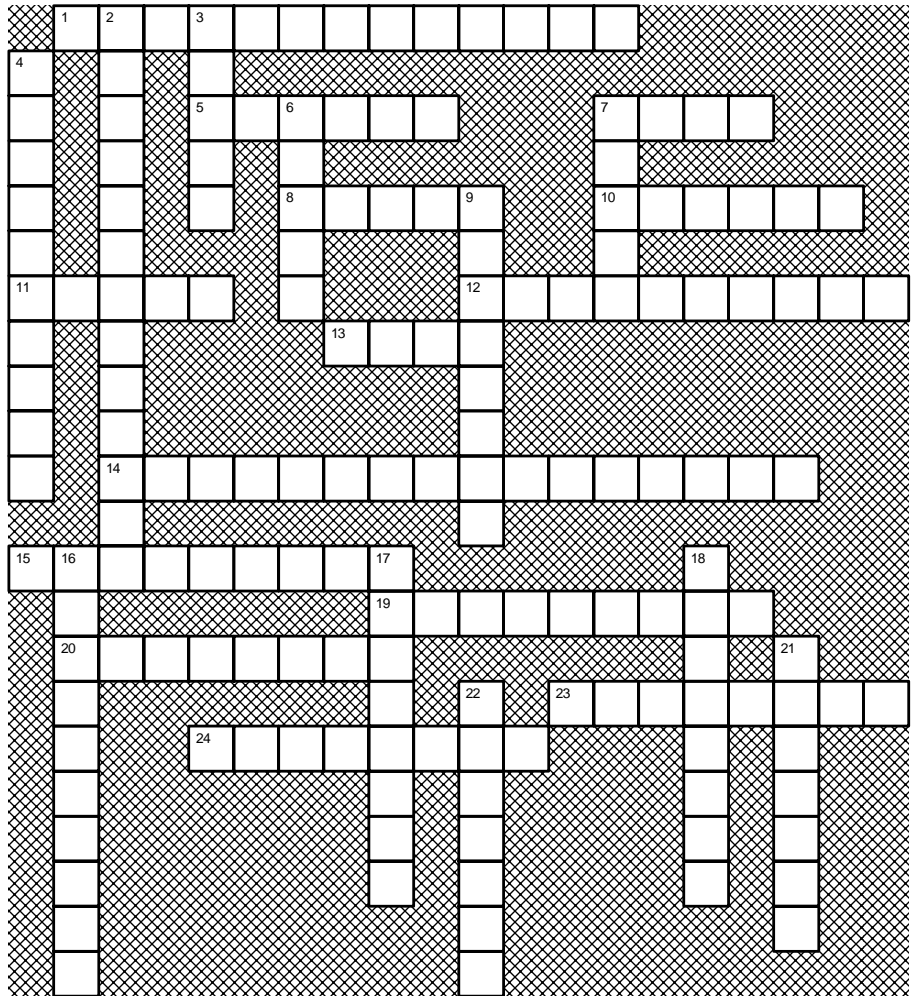
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Prentice-Hall Chapter One

Across

1. A country's production possibilities depend on both its ____ level and the resources it has available.
5. When you decide how much more or less to do, you are thinking at the ____.
7. All natural resources used to produce goods and services.
8. Physical objects such as shoes and shirts.
10. Economists simplify their explanations of the trade-offs countries face by using the example of guns or ____.
11. The law of increasing costs explains why production possibilities frontiers usually ____.
12. Economists explain increasingly expensive trade-offs with the law of ____ costs.
13. The alternative we give up when we choose one option over the other.
14. Using fewer resources than the economy is capable of using.
15. As production switches from one item to another, more and more ____ are necessary to increase production of the second item.
19. The study of how people seek to satisfy their needs and wants by making choices. [Or "the study of people in the ordinary business of life." - Alfred Marshall]
20. A production possibilities ____ shows the combinations of the production of two different goods.
23. A ____ occurs when producers will not or cannot offer goods or services at the current price.
24. Human-made objects used to create other goods and services are called ____ capital.



Down

2. Ambitious leaders who decide how to combine land, labor and capital resources to create new goods and services.
3. The knowledge and skills a worker gains through education and experience is called ____ capital.
4. A ____ possibilities curve shows alternative ways to use an economy's resources.
6. When an economy grows, economists say that the entire production possibilities curves has 'shifted to the ____.'
7. The effort that a person devotes to a task for which that person is paid.
9. The law of increasing costs (a.k.a. diminishing marginal returns) is a result of the fact that some resources are not as ____ for producing one good as they are for producing another one.
16. Using resources in such a way as to maximize the production or output of goods and services.
17. Actions or activities that one person performs for another.
18. ____ implies limited quantities of resources to meet unlimited wants.
21. Any human-made resource that is used to produce other goods and services.
22. Economists call the resources that are used to make all goods and services the ____ of production.