

Covid Packet
Week 7 & 8
8th Grade Civics/Economics

For the last two weeks of the year we will be covering Economics! Economics is the study of money. Read through the packet and answer questions as you go along!

Part 1: Good vs. Service

- Good: A physical item (Example: PS4)
- Service: System supplying public need (Teaching, Medical Services)

Part 2: Vocabulary

- Scarcity: The inability to satisfy all wants and needs at the same time. All resources and goods are limited. This requires a choice to be made.
- Resources: Factors of production are used in the production of goods and services.
 - 4 types
 - Natural: Trees, Land, Oil
 - Human: Employees
 - Capital: Factories and Equipment
 - Entrepreneurship: Business Owner(s)
- Opportunity Cost: What is given up when a choice is made. (Example: You stay up all night studying for your Civics Test. The opportunity cost is sleep.)
- Price: The amount of money exchanged for a good/service.
- Incentives: Things used to motivate people. Used to change economic behavior. (Example: Buy one, get one free.)
- Supply and Demand: Interactions between supply and demand determine price.
 - Demand: The amount of good/service that people are willing and able to buy at a certain price.
 - Supply: The amount of a good/service that producers are willing to sell at a certain price.
 - Example: The Coronavirus caused a toilet paper shortage in the beginning. The demand for toilet paper was high. Toilet paper companies could charge more because of this.
- Production: Combining human, natural, capital, and entrepreneurship resources to make good/services.
- Consumption: Using goods/services.

1. Every time we buy, sell, or rent anything, we are part of the:
 - a. World
 - b. Economy
 - c. Business
 - d. Community
2. A _____ is any place where you can trade, sell, and buy the things you want or need.
 - a. Market
 - b. Community
 - c. School
 - d. Salary
3. _____ and _____ are sold by places called businesses.
 - a. Goods and services
 - b. Products and shirts
 - c. Salaries and demands
 - d. Wages and goods
4. Making a profit is the same as –
 - a. Making a salary
 - b. Making money
 - c. Making a wage
 - d. Making goods
5. All businesses need _____ to be successful.
 - a. Resources
 - b. Food
 - c. Ovens
 - d. Services
6. All of the following are renewable resources EXCEPT _____.
 - a. Wheat
 - b. Milk
 - c. Oil
 - d. Wood
7. ONE of the MOST used nonrenewable resource is _____.
 - a. Oil
 - b. Coal
 - c. Natural gas
 - d. Iron ore
8. _____ resources is important for the economy and the environment.
 - a. Using
 - b. Buying
 - c. Selling
 - d. Recycling
9. In a bakery, for example, all of the following are capital resources EXCEPT _____.
 - a. Mixing bowls
 - b. Ovens
 - c. Eggs
 - d. Baking pans
10. Community workers include:
 - a. Fire fighters
 - b. Librarians
 - c. Police officers
 - d. All of the above



Part 3: Types of Economies

- 3 basic economic questions:
 - What will be produced?
 - Who will produce it?
 - For whom will it be produced?
- Traditional Economy:
 - Economic decisions are based on customs.
 - People often perform the same type of work as their parents or grandparents, regardless of ability or potential.
- Free Market Economy:
 - Private ownership of property/resources.
 - Profit motive.
 - Competition.
 - Consumer sovereignty: consumers determine what is produced through the consumption of goods and services.
 - Individual choice.
 - Minimal government involvement with the economy.
- Command Economy:
 - Central ownership (usually by the government).

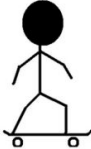
- Centrally-planned economy.
- Lack of consumer choice.

- Mixed Economy:
 - Individuals and businesses make decisions for the private sector.
 - Government is the owner and decision maker for the public sector.
 - Government's role is less than a command economy, but more than a free market economy.
 - Most economies today are considered mixed economies.
 - The United States is considered a mixed economy.

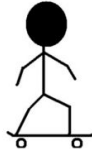
ECONOMICS STICK FIGURES

DIRECTIONS: Draw an appropriate background for each stick figure below based on the economy they're supposed to be in. Underneath each picture, write a quick sentence that describes why you drew what you did for each type of economy.

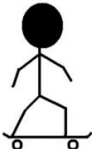
Traditional



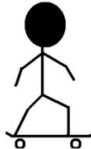
Command



Market



Mixed



Imagine you are starting a business. What economy would you want to start your business in and why?

1 What is consumption?

- A Making of goods and services
- B The using of goods and services**
- C That which is given up when a choice is made
- D That which determines price

2 Trees are an example of what type of resource?

- F Human
- G Natural**
- H Capital
- J Entrepreneurship

3 A bulldozer is an example of what type of resource?

- A Entrepreneurship
- B Capital**
- C Human
- D Natural

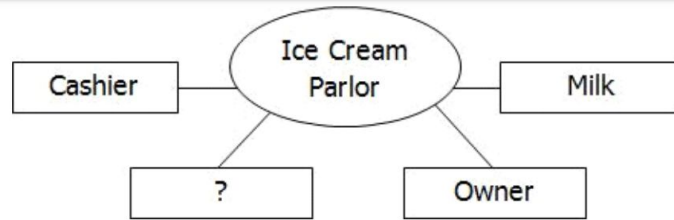
4 Tamara won the lottery and has decided to invest the money in the stock market instead of building a new home at the beach. What is her opportunity cost?

- F The time she could spend surfing
- G The cost of the new home**
- H The interest she earns on the money
- J The cost of the lottery ticket

5 The workers in a factory are considered what type of resource?

- A Capital
- B Human**
- C Natural
- D Entrepreneurship

6



Which capital resource completes the graphic?

- F Freezer
- G Cow
- H Land
- J Manager

7 **What causes economic behavior to change?**

- A Capital
- B Producers
- C Incentives
- D Entrepreneurs

8 **What is the process of buying and using goods and services?**

- F Consumption
- G Goods
- H Production
- J Distribution

9 **Maggie did not buy a shirt she wanted until it went on sale. What was her incentive to buy the shirt?**

- A Lack of resources
- B Sale price
- C Original price
- D Supply

10 **What you must give up when you chose one thing over another is called —**

- F opportunity cost
- G supply and demand
- H price
- J capital

- 11 **Jimmy wants to buy a car. What do you call the amount of money he will have to pay for the car?**
- A Demand
 - B Price
 - C Incentive
 - D Supply
- 12 **What are the factors of production that are used to produce goods and services called?**
- F Scarcity
 - G Resources
 - H Price
 - J Incentives
- 13 **The consumer is most important in what economic system?**
- A Free market
 - B Mixed
 - C Traditional
 - D Command
- 14 **Which is the strongest motivating factor in a free market economy?**
- F Ability to earn a profit
 - G Government regulations
 - H Equal distribution of wealth
 - J Few consumer choices

- 15 **In a free market economy, who is allowed to keep the profits?**
A Individuals
B Consumers
C Business
D Government
- 16 **Which type of economy combines private and public enterprises?**
F Traditional economy
G Command economy
H Mixed economy
J Market economy
- 17 **A command economy is —**
A the type of economic system in the United States today
B what results from free market competition
C a system where the military sells their weapons to other consumers or nations.
D one where the government has complete control over production and prices
- 18 **Private ownership of property and resources is a characteristic of what type of economic system?**
F Free market
G Socialist
H Command
J Traditional

Shark Tank Mini Project

If we were still in the classroom building we would have started working on a project I call “Shark Tank” based on the popular television show. I want you to think about a project/service that you would design if you were to create your own business! It can be something completely new OR it can be an improvement on a basic idea! For example, one popular invention on Shark Tank was a beach towel. A group of entrepreneurs designed a beach towel that doesn’t attract sand!

Follow the steps below to create your own design!

Step 1: Create the Product/Service

What is your product? Describe it! Also, go into detail WHY this is the good or service you picked?

Name the good/service? Pick a company or product name!

Step 2: Consumption

Who is your target audience. For example, if I am selling airpods I am going to try to target people ages 12-30 on average. Now ANYONE can buy your good/service, but think about your audience! And why did you choose your target audience?

Step 3: Price

What price would you charge for your good/service?

Step 4: Logo

Design a logo for your good/service. I have included two examples of popular logos.



Newsela Article

What is a free market economy?

Read the article below and answer the following questions.

K \Uh]g'U'a Uf_Yh3' f'g' Ubnk \YfY'dYcd'Y'Vi m'UbX'g' 'h.]b[g'5 Z'FY'a Uf_Yh'W'ebca m]g'U'g'g'ha 'k \YfY'dYcd'Y'W'ib'Vi m' UbX'g' 'k \Uh'h'Ymk Ub'h''

8Y]b]h]cb'

9W'ebca]g'h]g'i Xm\ck 'a Uf_Yhg'k cf_"H\Ym'X'Yg'W]VY'U'a Uf_Yh'W'ebca m'Ug'cbY'k \YfY'[ccXg'UbX'g'Yfj]W'g'U'F'Y'f'U'X'Y'X' Z'FY'nt'6'i n]b[Z'i]h'Z'ca 'U'Z'U'fa 'g'h'UbX']g'cb'Y'Yi Ua d'Y'"=h]g'Ub'Y'W'ebca]W'f'U'X'Y']b]c'j]b[[ccXg'"=Z'nci 'd'Um'g'ca Y'cb'Y'hc' Z]]nci f'V]_Y'z'h\Y'm'd'f'c]]X'Y'X'nci 'U'g'Y'fj]W'"A Uf_Yhg'W'ib'VY'U'g'ga U'"UbX'g'ja d'Y'U'g'U'Z'U'fa Y'f'f'g'a Uf_Y'h' 'H\Y'm'W'ib'U'g'c'VY' V] ['UbX'W'ebca d'Yi "'HU_Y'h'Y'W'f'f'a Uf_Y'h'z'Z'c'f'Yi Ua d'Y'"=h'a Um]b'W'i X'Y'Yj Y'f'nc'b'Y'k \c']g'a U_]b[z'g'f']b['UbX'Vi n]b['W'f'g''

5'di fY'a Uf_Yh'W'ebca m\Ug'Z'k "'ja]hg'"=b'c'h\Y'f'k cf'X'g'z'nci 'W'ib'g'Y'"Ub'nt'h.]b['hc'Ub'nc'b'Y'"M'ci 'W'ib'W'U'f['Y'Ub'm'd'f]W'nci' k'Ub'h' 'H\]g_]b'X'c'Z'a Uf_Yh'W'ebca m]g'f'U'F'Y'z'h'ci ['\'"H\Y' [c] Y'f'ba Y'bh'i'g' U'"m'd'U'ng'U'f'c'Y'"=h'U'X'g'f'U'Y'g'c'b [ccXg'hc'd'Um' Z'c'f'g'W'cc'g'z'f'c'U'X'g'UbX'c'h\Y'f'di V']W'b'Y'X'g' 'H'U'Y'g'U'Z'Z'V'nt'h'Y'd'f]W'c'Z[ccXg'UbX'g'Y'fj]W'g' 'H'U'f]Z'g'U'g'c'U'Z'Z'V'nt'd'f]W'g' 'H'U'f]Z'g' U'F'Y'Z'Y'g'W'ebca b'f'h]Y'g'U'X'X'hc'ja d'c'f'hg'"@Uk'g'U'F'Y'Ub'ch'h'Y'f'Yi Ua d'Y'c'Z[c] Y'f'ba Y'bh'U'W']cb'": cf'Yi Ua d'Y'z'h\Y'f'Y'U'f'Y'U['Y'"ja]hg' Z'c'f'Vi n]b['U'W'ebca "'5'"c'Z'h\Y'g'Y'U' Ua d'Y'g'U'Z'Z'V'nt'h'Y'a Uf_Yh'W'ebca nt'

: fY'Y'a Uf_Yh'W'ebca]Y'g'U'j Y'Z'k Y'f'"ja]hg'h'Ub'c'h\Y'f'_]b'X'g'c'Z'W'ebca]Y'g' 'H\Y'i' b]h'X'G'h'U'h]g']g'Ub'Yi Ua d'Y'c'Z'U' W'd]H'U']g'h'W'ebca nt'D'f'c'd'Y'f'm]g'c'k b'Y'X'V'm]b'X']Xi U'g'z'b'c'h'h'Y' [c] Y'f'ba Y'bh'G'c'V'U']g'h'V'ei b'f'h]Y'g'U'F'Y'X']Z'Z'f'Y'bh' 'A' c'g'h'c'Z' h\Y'f'W'ebca]Y'g'a Um'VY'g'ca Y'Z'c'fa 'c'Z'U'Z'FY'a Uf_Y'h'< c'k'Y' Y'f'z'h'Y' [c] Y'f'ba Y'bh'a Um'ick b'g'ca Y'd'f'c'd'Y'f'm'i: cf'Yi Ua d'Y'z']h'a Um'ick b'UbX'c'd'Y'f'U'h'Y'f'U']k'U'ng'"7'ca a i b]g'h'V'ei b'f'h]Y'g'U'F'Y'b'c'h'V'eb'g]X'Y'f'Y'X' a Uf_Yh'W'ebca]Y'g' 'H\Y' [c] Y'f'ba Y'bh' V'eb'f'c'g'd'f'c'd'Y'f'm'UbX'W'ebca d'Ub]Y'g'"=h'X]W'U'h'g'k \Uh]g'd'f'c'X'i W'X'"=h'V'eb'f'c'g'k \Uh'd'f'c'X'i W'g'h'Y'di V']W']Y'g'"7\]b'U'Ub'X' B'c'f'h' ? c'f'Y'U'U'F'Y'k'c'Yi Ua d'Y'g'c'Z'W'ebca a i b]g'h'V'ei b'f'h]Y'g'

7\U'F'U'W'Y'f]g'h]V'g'

5'Z'FY'a Uf_Yh'W'ebca m]b'W' X'Y'g'

1 'D'f]j U'h'c'k b'Y'f'g\]d'c'Z'f'Y'g'ci f'W'g'"=b'X]]Xi U'g'c'k b'h'Y'V'ebca d'Ub]Y'g'Ub'X'd'f'c'd'Y'f'm'i' 'H\Y' [c] Y'f'ba Y'bh' X'c'Y'g'b'c'h'K' c'f_Y'f'g'U'F'Y']b'X'Y'd'Y'b'X'Y'bh' 'H\Y'm'V'eb'f'c' '\Y'f'Y'h'Y'm'k c'f_'Ub'X'k \Uh_]b'X'c'Z'k c'f_'h'Y'm'X'c''

l 'Ghfcb['ZbUbVWU' a Uf_Yhg" A Uf_Yhg fYei]fY Wd]H" H\Y hYfa Wd]H']bWl XYg'a cbYmZdfcdYfmi UbX ch\Yf fYgci fWg":]bUbVWU']bgh]h]cbgZ']Y VUb_gZcZf" cUbg" 6cffck Yfg'a UmI gY h.]gVcffck YX' a cbYmhc' Vi mU\ci gY" H\Yma UmVccgY' hc' gUfhU Vi g]bYgg" 7ca dUb]Yg'a UmI gY' U" cUb' hc' Yi dUbX' h' Y]f' Vi g]bYgg"

l : fYYXca' hc' dUfh]VdUHY" DfcXi V]b[[ccXgcf' dfcj]X]b['gYfj]Wg]gj c'i bUfnt'Gc']gVZbg'a]b['h\Y' [ccXgcf' i g]b['h\Y' gYfj]Wg" =bX]j]Xi U'g UfY ZFY' hc' dUfh]VdUHY' cf' bch"

Dfcg'5bX'7cbg'

A cghcZ h\Yk cf' Xfj'a cfY Uxj UbWX' bUh]cbg' \Uj Y'a Uf_YH VUgYX' WZbca]Yg": fY' a Uf_Yhg' \Uj Y'Zuk g" <ck Yj YfZ h\Ymi gi U' mXc U'VYHf' 'cV' cZa YH]b['dYcd' Yfj' bYXg" < YfY UfY' gca Y' Uxj UbH] Yg' UbX' XfUk VUW' g' cZFY' a Uf_Yhg' h' Ya g'

l '7ca dYh]h]cb "YUXg' hc']bbcj Uh]cb" DfcXi Wfg' hfmhc' gi dd' mVZbg'a Yf' XYa UbX" H\YmUgc' "cc_ Zcf' k Uh]hc' VYUhVZa dYh]h]cfg" 7ca dYh]h]cb W]b' a ch]j Uh' VZa dUb]Yg' hc' VY' a cfY YZZ]V]bH": cf' Yi Ua d' YZ' VZa dUb]Yg' W]b' fYd' UW' \i a Ub' k cf' Yfg' k]h' 'fcVchg" Gi W' W' Ub[Yg'a Um]Uj Y' U' VZa dUbma cbYm' B Yk']bj Yb]h]cbg' W]b' U' gc' cdYb' bYk' 'a Uf_Yhg' HU_Y' h' Yj]g]cbZ' Zcf' Yi Ua d' Y" H\Y']bj Yb]h]cb' cZHU' WYUHYX' U' bYk']_]bX' cZa Uf_YH' =h' dfcj]XYX' U' bYk' 'gci fW' cZ Yb' h' fH]]ba Yb' h' =h' W' Ub[YX' h\Y' Yb' h' fH]]ba Yb]h]bXi g' fnt'

l 'DfcZ]h]g' YbVZi fU[YX" 7ca dUb]Yg'a U_Y' dfcZ]hg' k \Yb' h\YmUf' b' a cfY' a cbYm' h' Ub' h\Ym' g' d' YbX" 6i g]bYgg' Yg' h' Uh]g' WYX' k]' 'gY' [fYUHYf' d' fcZ]hg' Gca Y' cZ h' Yg' d' fcZ]hg' [c' hc' h\Y' ck' bYfg' Gca Y']g']bj Ygh' X' VUW']bhc' h\Y' Vi g]bYgg' H\]g'a cbYm' W]b' \Y' d' h\Y' VZa dUb' m' VZb]h]bi Y' hc' [fck' UbX']a' d' fcj Y"

l '6][[Yf']g' cZ h' b' VYHf' " @Uf[Y' VZa dUb]Yg' cZ h' b' \Uj Y' Ub' Uxj UbH] Y' c' j Yf' ga U' ' d' fcXi Wf' g' H\Ym' W]b' a U_Y' [ccXgcf' d' fcj]XY' gYfj]Wg'a cfY W' YUd' m' H\]g]h] Uh]cb' W]b' fYg' 'h]b' U' V][' d' fcXi Wf' X' f]j]b[' f]j U' g' ci hc' ZVi g]bYgg' 5' V][' d' fcXi Wf' Ub' U' gc' h' U_Y' VZb' h' c' ' cZfYgci fWg' H\Y' fYg' 'ha Um' VY' U' a' c' b' c' d' c' m' 5' a' c' b' c' d' c' m']g' k \Yb' U' VZa dUb' m' _bc' W' g' ci h' h\Y' VZa dYh]h]cb" =h' h' Yb' \Ug' h' c' h' U' VZb' h' c' ' cZU' a' Uf_YH' 5' a' c' b' c' d' c' m' h' Yb' W]b' Zcf' W' d' Ycd' Y' hc' d' Um' \] [\Yf' d' f]]Wg"

- 1 Which sentence from the article states a MAIN idea of the entire article?
 - (A) A free market economy is a system where people can buy and sell what they want.
 - (B) Markets can be as small and simple as a farmer's market.
 - (C) Most of their economies may be some form of a free market.
 - (D) People in a free market have no promises of success.

- 2 What is the MAIN idea of the section "Pros And Cons"?
 - (A) Free market economies are affected by laws that governments make.
 - (B) There are countries that do not like to have free market economies.
 - (C) Free market economies can cause problems for some countries.
 - (D) There are good things and bad things about free market economies.

- 3 What does Image 1 show?
 - (A) It shows a very big and complex market.
 - (B) It shows people trading money for goods.
 - (C) It shows how the government adds taxes.
 - (D) It shows a problem with free market economies.

- 4 Look at Image 2. Based on the image, where do people have a more capitalist and free market society?
 - (A) Japan
 - (B) North Korea
 - (C) China
 - (D) Venezuela

