1. Define the Following:

Free Enterprise: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Macroeconomics: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Microeconomics: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Gross Domestic Product (GDP): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Business cycle: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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1. What are the 7 basic principles of free enterprise?

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1. What is profit motive? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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1. What is the role of the consumer in a free enterprise system?

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1. What is the role of government in a free enterprise system?

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1. Why do government experts track the business cycle? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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1. What are 2 negative effects of government regulation in a free enterprise system?

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1. Which characterizes perfect competition in a free enterprise system?
2. One firm is dominant
3. Government regulates all decisions
4. Numerous buyers and sellers
5. Low profit margins
6. The market value of all final goods and services produced in a country in a given year is the
7. Net National Product
8. National Income
9. Producer Price Index
10. Gross Domestic Product
11. In a market economy,
12. The price and quantity of goods is determines by the interaction of supply and demand
13. The central government runs the economy
14. Economic decisions are made by groups of people for the good of the community
15. The price and quantity of traded goods are based on customs and tradition
16. A basic assumption of economics is that
17. Wants are unlimited
18. Means are unlimited
19. Incentives are irrelevant
20. Consumers are irrational