

## Big Business Terms Vocabulary Sheet

### Capitalism

- an economic and political system in which a country's trade and industry are controlled by private owners for \_\_\_\_\_, rather than by the state.
- thrives from a \_\_\_\_\_ marketplace

### Laissez – Faire

- a policy or attitude of letting things take their own course, without \_\_\_\_\_ interfering.

### Free Enterprise

- An economic system in which private business operates in competition largely free of \_\_\_\_\_ control.

### Socialism

- a political and economic theory of social organization that advocates that the means of production, should be owned or regulated by the \_\_\_\_\_ as a whole.

### Corporation

- a business owned by \_\_\_\_\_ (legally a person).
- Protects \_\_\_\_\_ with limited liability.

### Stock

- the \_\_\_\_\_ raised by a business or corporation through the issue and subscription of shares.

### Merger

- combining several \_\_\_\_\_ into one large corporation; used by JP Morgan and the banking industry

### Horizontal Integration

- The purchase of competing \_\_\_\_\_ in the same industry

### Vertical Integration

- acquiring control of all steps required to change \_\_\_\_\_ into finished products

### Consolidation

- When companies combine. Larger companies buy out \_\_\_\_\_ companies or force them out of business.

### Pool

- Several companies \_\_\_\_\_ up business in an area. They then fix their prices at a high level.

### Trust

- A group of \_\_\_\_\_ run by a single board of directors.
- Lack of competition

### Monopoly

- Control of all or nearly all \_\_\_\_\_ in an industry

### Rebate

- Big railroad companies secretly offered rebates –discounts- to their biggest \_\_\_\_\_. The practice forced many companies out of business.

### Bessemer Process

- The **Bessemer process** was the first inexpensive industrial process to convert iron into steel

