

Unit 10 Review

1. Draw the Business Cycle. Describe how the business cycle and the Circular Flow of Economics work together.
2. What is the difference between Adam Smith and Karl Marx? Include vocabulary terms: Laissez-Faire, Bourgeois, Proletariat, Communist Manifesto, Capitalism, Communism, Competition.
3. What are 4 economic indicators? Give examples of how the economic indicators would describe the economy.
4. Compare Monetary Policy and Fiscal Policy. Who is in control of Monetary Policy? Who is in control of Fiscal Policy?
5. Draw a T-chart and identify whether the following SLOWS or SPEEDS the economy? (Draw this on the business cycle!)

Increase Taxes	Tight Monetary Policy	Increase Money Supply
Decrease Interest Rate	Decrease Taxes	Loose Monetary Policy
Decrease Money Supply	Increase Interest Rate	
6. Explain the different principles of mercantilism and how it relates to global trade. Give an example of mercantilism

being used.

7. Give examples of an absolute advantage and a comparative advantage. How do you get an advantage?
8. Describe four ways of how governments limit global trade.
9. Describe how the government, stock market, and labor unions influence the economy.
10. How does NC influence global trade with our exports? What items are NC renown for?
11. What was the Great Depression? What were the causes & effects?
12. What is the difference between surplus & deficit? What about the difference between deficit & debt?
13. What is interdependence and give an example to explain.

Essential Questions:

1. How does the United States impact the world economically?
2. Could the Great Depression have been avoided?
3. Explain how the government reacts to changes in the economy.
4. Essential Question: Explain the processes by which the government obtains and spends money.