

**SOLs:**

- 3.7
- 3.8
- 3.9

# Economics Study Guide

## **natural resources:**

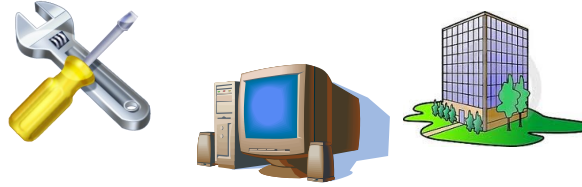
materials that come directly from nature



examples: water, coal, soil, wood

## **capital resources:**

goods made by people and used to produce other goods



examples: machines, tools, buildings

## **human resources:**

people working to produce goods and services



examples: police, teachers, farmer

## **goods:**

things that people make or use to satisfy needs and wants



examples: food, pencil, phone

## **services:**

activities that satisfy people's needs and wants



examples: getting your hair cut, fixing a car

**producers:**

people who use resources to make  
goods and/or provide services



example: farmer growing crops

**consumers:**

a person who uses goods and services



example: shopping at a store

**vocabulary**

- **economic choice:** the choice of or decision among alternatives or possibilities
- **opportunity cost:** the next best choice that is given up when an economic choice is made

Choices	Choice made	Opportunity cost
ice cream or	ice cream	popcorn
toy or game	game	toy
spend now or save for the	spend now	save for the future

**more vocabulary**

- **Interdependence:** to rely on someone else
- **specialization:** when people focus on the production of selected goods and services
  - encourages trade because people want goods and services they do not have
  - Example: Virginia specializes in ship building.
- **scarcity:** not being able to meet all wants at the same time because resources are limited