

A red paper shopping bag with a white handle is centered against a green background. The bag is open at the top, and the handle is made of two white paper loops. The text "Let's Talk about Economics" is printed in yellow on the front of the bag.

**Let's Talk about
Economics**



Goods and Services

People help the economy by purchasing “goods” and “services.”

**Goods are things that we buy
that we can use or touch.**



Services are jobs that workers do for other people.



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Producers and Consumers

Some people provide goods and services, while others use goods and services.

Producers

Producers are people who make goods or provide services.



Consumers

Consumers are people who use goods and services.



A red paper shopping bag with a white handle is centered against a green background. The word "Money" is written in large, bold, yellow letters with a black outline across the handle.

Money

**Money is coins, paper bills,
and checks used in the
exchange for goods and
services.**

Bartering

Bartering is the exchange of goods or services without using money.



A red paper shopping bag with a white handle is centered against a green background. The bag is open at the top, and the handle consists of two white loops. The word "Resources" is written in large, bold, yellow letters across the top of the bag.

Resources

A resource is something that is used in order to meet a need or a want.

Kinds of Resources

Natural

Human

Capital

Natural Resources

**Materials that come
from nature are called
*natural resources.***

Natural Resources



Human Resources

People who work to produce goods and services are called *human resources*.

Capital Resources

Goods made by people and used to produce other goods and services are called *capital resources*.

Capital Resources



Limited Resources

When all wants cannot be met at the same time, there is a scarcity.

Scarcity



If there is a forest fire, a toy factory will not be able to get the wood it needs to make wooden trains. There is a scarcity of wood from which the trains are made.

Therefore . . .



**there will be a scarcity
of wooden toy trains at
the toy store.**

Making an Economic Choice

When people don't have enough money, they have to make an "economic choice" and decide what to buy.

If you only had \$10.00, which toy would you choose?

\$ 8.95



\$ 9.49



What will be your “economic choice?”

The other item you cannot afford to buy is your “opportunity cost.”