

The Study of Economics

3.3 & 3.4 - Chapter Focus Questions - 50 PTS



In an effort to increase your benefit from class discussion, it is important that you have an idea of what I am talking about before we talk about it. To encourage this I will assign Chapter Focus questions prior to our discussion of the Chapter discussion. These Assignments will concentrate on specific terms and ideas we will base our study on. Do the assigned reading it will help you to understand the terms below. Provide answers in your own words. The Economic terms will be posted on the front white board. For further clarification on Terms check the blog for podcasts.

Chapter Three - American Free Enterprise

Section III - Providing Public Goods (62 to 66)

Section IV - Promoting Growth and Stability (67 to 72)

I - Terms to Study: (20 pts)

Do the assigned reading. For each of the following terms please provide the definition of the said term in your own words. Do not copy the definition listed in the text - read around it - think about it. I want to hear your voice. If you need to provide an example please do so. At least five sentences for each term. Do not write on this page.

- 1 - market failure
- 2 - public goods
- 3 - free-rider
- 4 - externality (positive & negative)
- 5 - GDP - Gross Domestic Product

II - Questions for Study: (30 pts)

For each of the following three questions provide 100 to 150 word answers.

1 - Role of Public Goods in society

Some things the public sector does better than the private sector. These are public goods. Do you agree with the statement? Why or why not.

2 - Examples of Public Goods in society

Identify three significant public goods in our society. Tell me what they are, what they do, and if you think they do it well.

3 - Positive Externality

First off explain what a positive externality is. Then provide me an example of the development of a positive externality in the real world. Try to make it personal -

4 - Micro and Macro Economics

What is the difference between the two. Explain each. Give me an example of the study of each...

5 - Promoting Economic Strength

Every economy must shoot to accomplish three goals. What are the three goals noted in the book. Which of three do you believe the USA's economy does best and worst. Explain