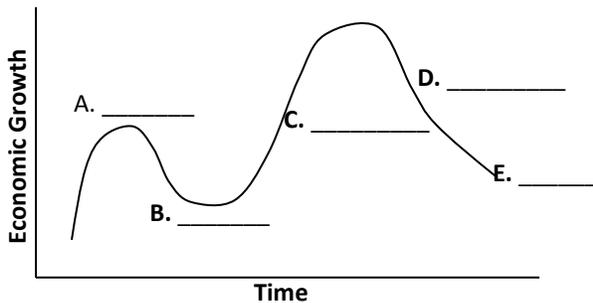


**Unit 9 – Economics: Part II
Review Sheet**

Part I (Vocabulary): Write the term being described in the space provided.

1. _____ a measure of prices every month for about 400 commonly used consumer goods
2. _____ the total dollar value of all final goods and services produced in a country in one year
3. _____ group of workers who band together to negotiate for higher pay and better working conditions
4. _____ / _____ all workers in a union refuse to go to work/ the company blocks workers from entering the building
5. _____ laws to control monopoly power and preserve competition – like the Sherman Antitrust Act
6. _____ a sustained increase in the general level of prices causing a decrease in the value of money
7. _____ competition with one single large seller with no close competition and no alternative substitutes
8. _____ the percentage of people in the civilian labor force who are not working but are looking for jobs.
9. _____ competition in which there are very similar products and very few sellers
10. _____ goods and services are provided by someone outside of the company
11. _____ competition with one big dominant company with a few medium or smaller sized companies
12. _____ cost cutting measures taken by companies such as selling off assets, closing plants, etc.

Part II (The Business Cycle): Label each part of the business cycle graph and then match each statement with the appropriate point on the cycle.



_____	Unemployment is rising and business are not investing.
_____	Economic output and investment are at their highest level; unemployment is at its lowest level.
_____	Businesses are beginning to invest; unemployment is gradually declining.
_____	Economic output and investment are at their lowest level; unemployment is at its highest level.

Part III (Monetary vs. Fiscal Policy): For each statement determine if the scenario describes monetary policy (M) or fiscal policy (F) and correctly label each.

1. _____	Controlled by the Federal Reserve.	5. _____	Policy directly impacts taxpayers.
2. _____	Policy directly impacts banks.	6. _____	Involves manipulation of the money supply.
3. _____	Involves taxing and spending levels by the government.	7. _____	Controlled by the legislative and executive branches.

For each statement below, determine whether the Fed should raise (↑) or lower (↓) the tool described. Then consider the impact.		For each statement below, determine whether the government should raise (↑) or lower (↓) the tool described. Then consider the impact.	
_____	The economy is slow. What should the Fed do to the discount rate? Impact: _____	_____	The economy is slow. What should the gov't do to the tax rate? Impact: _____
_____	The economy is growing. What should the Fed do to the reserve requirement? Impact: _____	_____	The economy is slow. What should the gov't do to gov't spending? Impact: _____
_____	The economy is slow. Should the Fed buy (B) or sell (S) gov't bonds? Impact: _____	_____	The economy is growing. What should the gov't do to the tax rate? Impact: _____

Part IV (Short Answer): Write the answer to the question in the space provided.

1. What is a sole proprietorship? _____
 Advantage: _____ Disadvantage: _____
2. What is a partnership? _____
 Advantage: _____ Disadvantage: _____
3. What is a corporation? _____
 Advantage: _____ Disadvantage: _____
4. What is a franchise? _____
 Advantage: _____ Disadvantage: _____