



BUSINESS MANAGEMENT
 LAP 6.1—Chapter 6.1
 Economics
 Making Decisions in a Market Economy

Name _____
 Period _____
 Date Started _____
 Date Completed _____

DoDEA Standards

- ◆PT5c Function as economically literate citizens through the development of personal consumer economic skills, knowledge of social and government responsibility, and an understanding of business operations.
- ◆PT5g Utilize analytical tools needed to understand and make reasoned decisions about economic issues—both personal and societal.

Objectives

- ◆ Explain the concepts of scarcity and opportunity cost.
- ◆ Recognize how supply and demand work to determine price.
- ◆ Understand why businesses contract and expand during different phases of the business cycle.

Resource

Text: Business Management
 Student Workbook and materials for above
 Chapter 6, Economics (6.1—Making Decisions in a Market Economy)

Time Frame

3 hours

Introduction

In Chapter 6, Part 6.1, you are going to learn how businesses in a market economy make decisions about what to produce, how a market economy differs from a command economy, and how the law of supply and demand determines the equilibrium price of a good or service.

Assignments

Where appropriate and possible, written answers must be in complete sentences and keyed. Turn in completed activities as directed by instructor.

_____ Text: Read p. 133, Management Talk, and the workplace connections section and complete the questions for Analyzing Management Skills and Applying Management Skills on a separate sheet of paper.

_____ Text: Read Section 6.1, pages 134-143, Making Decisions in a Market Economy.

_____ Text: Management Careers in Focus (Marketing Manager), p. 140. Read and key answers to critical thinking questions.

_____ Text: p. 143, Section 6.1 Assessment: Key answers to critical thinking questions and case analysis.

_____ Workbook, pages 80 through 83: Skill Building Activities 1, 2, and 3 : Reading, Math and Writing Skills. Key answers on your Chapter 6 Word Answer Document.