

Saving

Savings is when you put
__money__ away
to __spend__ later.



**Keep this study
guide to review
and study for the
economic test.**

Economics

Study Guide 2

Name:

Parent Guide

Preview of Topics

**Choices
Economic Choice
Opportunity Cost
Scarcity
Savings**

Choices




People make **choices** because they cannot have everything they want. A choice is made when goods, services, or resources are limited.

Making a **choice** means you must give something up.

Economic choice is the choice you make when you buy goods, services, or resources.

Opportunity Cost

When you choose between two things (candy or ice cream), the **opportunity cost** is the thing you **DID NOT** choose.

Choices	Choice Made	Opportunity Cost
ice cream or popcorn	ice cream	<i>popcorn</i>
		
spend now or save for the future	<i>spend now</i>	save for the future

Make your own...

Choices	Choice Made	Opportunity Cost

Scarcity

Scarcity means that resources are limited. People are not able to have all the wants and services they want.

You have a **shortage**.

Examples:

1 pencil



2 boys



2 dolls



3 girls

