

ECONOMICS
REVIEW FOR TEST #3

Know why America has been such a success because it has many advantages in regards to its economy.

Know the key factor in America's successful economy

Know a profit motive.

Know the benefits of profit motive.

Know open opportunity

Know Legal Equality

Know voluntary exchanges.

Know the basic principles of free enterprise.

Know a right that is basic to liberty as freedom of speech or the right to vote.

Know the Fifth Amendment to the Constitution.

Know the sixteenth amendment to the Constitution.

Know the government's first role in America's free enterprise system.

Know what role government has in regulating certain industries such as food, drugs, and private businesses.

Know Macroeconomics and microeconomics

Know GDP.

Know business cycle

Know the unemployment rate that is an indicator of a healthy economy.

Know what a patent and copyright is.

Know how cost and benefit determines a public good.

Know what an externality is.

Know how the government attempts to minimize negative externalities

Know poverty threshold

Know how the Federal Government sets the poverty threshold.

Know what a safety net is.

"Real charity helps men to help themselves." The author who wrote this is?

Know the following terms and how they are applied practically:

A. Grant **B.** Welfare **C.** Negative Externality **D.** Public Disclosure Laws **E.** Voluntary Exchange **F.** Public Goods
G. Free Riders **H.** Positive Externalities **I.** Eminent Domain **J.** Obsolescence **K.** In-Kind Benefits
L. Copyright **M.** Cash Transfers

There are not many, even among educators and statesmen, who comprehend the causes that underlie the present state of society. Those who hold the reins of government are not able to _____ the _____ of moral corruption, poverty, pauperism, and increasing crime. They are struggling in vain to place business operations on a more secure basis. If men would give more heed to the teaching of _____, they would find a _____ of the problems that perplex them. {9T 13.3}

We are all woven together in the great _____ of _____, and whatever we can do to benefit and uplift others will reflect in blessing upon ourselves. The law of mutual dependence runs through all classes of society. {CSA 62.8}

If men today were _____ in their habits, living in harmony with _____, as did Adam and Eve in the beginning, there would be an _____ supply for the _____ of the human family. There would be fewer _____ wants, and more opportunities to work in God's ways. But selfishness and the indulgence of unnatural taste have brought sin and misery into the world, from excess on the one hand, and from want on the other. {DA 367.1}

In the professed Christian world enough is expended for _____ and _____ expensive dress to feed _____ the _____ and to clothe the _____. Fashion and display absorb the means that might comfort the poor and the suffering. {MH 287.4}

_____ helps men to help _____. If one comes to our door and asks for food, we should not turn him away hungry; his poverty may be the result of misfortune. But true _____ means more than mere gifts. It means a _____ interest in the welfare of others. We should seek to understand the needs of the poor and distressed, and to give them the help that will benefit them _____. To give thought and time and personal effort costs far more than merely to give money. But it is the _____. {CSA 62.3}

Attention should be given to the establishment of various _____ so that _____ families can find employment. Carpenters, blacksmiths, and indeed everyone who understands some line of useful labor, should feel a responsibility to teach and help the ignorant and the unemployed. {CSA 62.4}

Those who are taught to earn what they receive will more readily learn to make the most of it. And in learning to be

_____, they are acquiring that which will not only make them _____, but will enable them to _____. {CSA 62.6}

The Lord would place a check upon the _____ love of property and power. _____ would result from the continued _____ of wealth by one class, and the poverty and degradation of another. Without some _____ the power of the wealthy would become a monopoly, and the poor, though in every respect fully as worthy in God's sight, would be regarded and treated as inferior to their more prosperous brethren. The sense of this oppression would arouse the passions of the poorer class. There would be a feeling of despair and desperation which would tend to demoralize society and open the door to crimes of every description. The regulations that God established were designed to promote _____. The provisions of the sabbatical year and the jubilee would, in a great measure, set right that which during the interval had gone wrong in the social and political economy of the nation." (Patriarchs & Prophets, p. 534)

DISCUSSION QUESTIONS:

What is eminent domain and do you think it is fair? (Explain in paragraph)

What would you consider a valid and just reason for eminent domain?

Explain in a paragraph in your opinion if government should be more or less active in regulating industry here in America.

In your opinion, list at least five types of regulations that the Federal Government should have on companies and corporations and explain why these five are important.

Do you think technology makes you more productive or less productive in school?

How do you feel about companies cutting jobs in favor of automation?

What jobs do you think will be obsolete in the next ten years?

With global warming becoming more of a problem, do you think governments need to pass stronger laws to force companies to change their practices? Or should it be voluntary?

How do you define poverty?

How do you feel about a superstar rap artist still using welfare to his advantage?

What do you think the government can do to prevent people who do not need welfare from getting welfare?

List five solutions or programs you would implement to combat poverty in complete sentences.



Poverty is a lingering and huge issue even today. In fact a reuters article written on September 17, 2013 states that: “The number of U.S. residents living in poverty edged up to 46.5 million last year, the latest sign that an economic recovery marked by a stock market boom has not trickled down to ordinary

Americans.”

America has sought to address poverty in a variety of ways. In the 1930s, the New Deal government programs sought to bring people out of poverty. In the Mid to late 1960s, President Lyndon Johnson launched the Great Society Programs and declared War on Poverty. But poverty still exists. Get in groups of two to four and answer the following questions.

Please write in complete sentences.

Do you think government programs are necessary to address poverty (one paragraph)?

Do you think that churches and nonprofit organizations should be the ones addressing the issue of poverty and not the government?

Notice this statement from Ellen White:

Real charity helps men to help themselves. If one comes to our door and asks for food, we should not turn him away hungry; his poverty may be the result of misfortune. But true beneficence means more than mere gifts. It means a genuine interest in the welfare of others. We should seek to understand the needs of the poor and distressed, and to give them the help that will benefit them most. To give thought and time and personal effort costs far more than merely to give money. But it is the truest charity. 85 {CSA 62.3}

Attention should be given to the establishment of various industries so that poor families can find employment. Carpenters, blacksmiths, and indeed everyone who understands some line of useful labor, should feel a responsibility to teach and help the ignorant and the unemployed. {CSA 62.4}

In ministry to the poor there is a wide field of service for women as well as for men. The efficient cook, the housekeeper, the seamstress, the nurse—the help of all is needed. Let the members of poor households be taught how to cook, how to make and mend their own clothing, how to nurse the sick, how to care properly for the home. Let boys and girls be thoroughly taught some useful trade or occupation. 86 {CSA 62.5}

Those who are taught to earn what they receive will more readily learn to make the most of it. And in learning to be self-reliant, they are acquiring that which will not only make them self-sustaining, but will enable them to help others. Teach the importance of life's duties to those who are wasting their opportunities. Show them that Bible religion never makes men idlers. Christ always encouraged industry. "Why stand ye here all the day idle?" He said to the indolent. "I must work . . . while it is day: the night cometh, when no man can work." Matthew 20:6; John 9:4. 87 {CSA 62.6}

What is Ellen White suggesting as solutions to poverty?

Do you think Ellen White's solution to poverty can be practically applied today?