



Click on the economic term, and drag it to where it best completes the sentence.

consumer
factors of production
macroeconomics
microeconomics
models
opportunity cost
producer
production possibilities curve
scarcity
trade off
underutilization
wants

(1) _____ is the fundamental economic problem. It arises because human (2) _____ are limitless, while resources are limited. It affects what a (3) _____ buys and what a (4) _____ makes. It affects what is produced, how it is produced, and who gets what is produced. It affects how the four (5) _____ are put to use. Since people cannot have everything they want, they have to make choices. Every choice, however, involves a (6) _____, something you have to give up to get what you want. When making an economic decision, you need to consider the (7) _____, the value of the thing you gave up. Economists often use (8) _____, simplified representations of reality, to clarify concepts. Economists use such tools in (9) _____, the study of the economic behavior of individual persons, families, and businesses, and in (10) _____, the study of the economy as a whole. One useful model, the (11) _____, shows the maximum amount of goods that an economy can produce. It also shows (12) _____, when not all resources are put to full use.