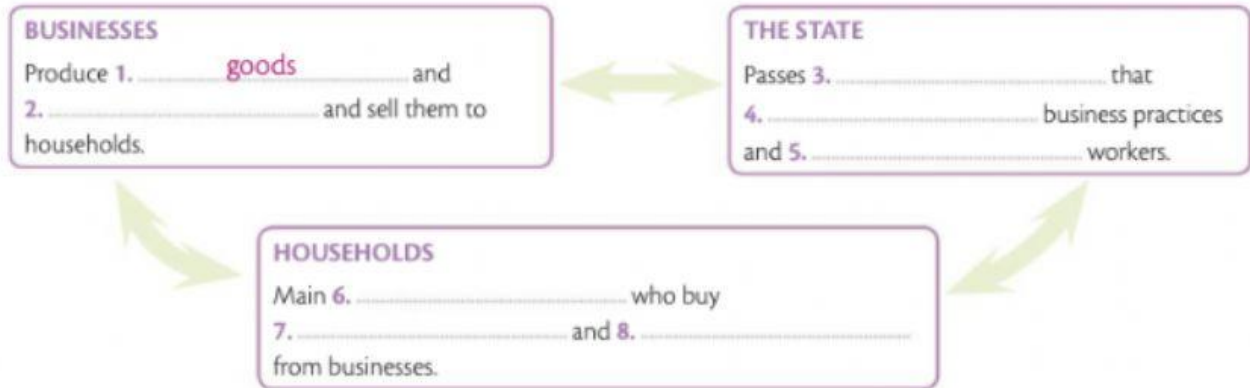


All about the economy

1. The economic system

1 Describe the circular flow of the economy below. Fill in the missing words.



2 Identify and explain the basic components of the economy in each picture.



a Natural resources

We get these from nature,
like plants and minerals.



b Financial capital



c Technological capital

3 Match the term to its definition.

- | | |
|-----------------------|--|
| Economy | • Technological resources like websites or software. |
| Capital goods | • Money invested in business and banking. |
| Financial capital | • A person who has an idea for a business and organises the production of goods or services. |
| Technological capital | • Man-made resources like machinery, computers, tools, factories, or office buildings. |
| Entrepreneur | • A system in which businesses produce goods and services which people buy and use. |