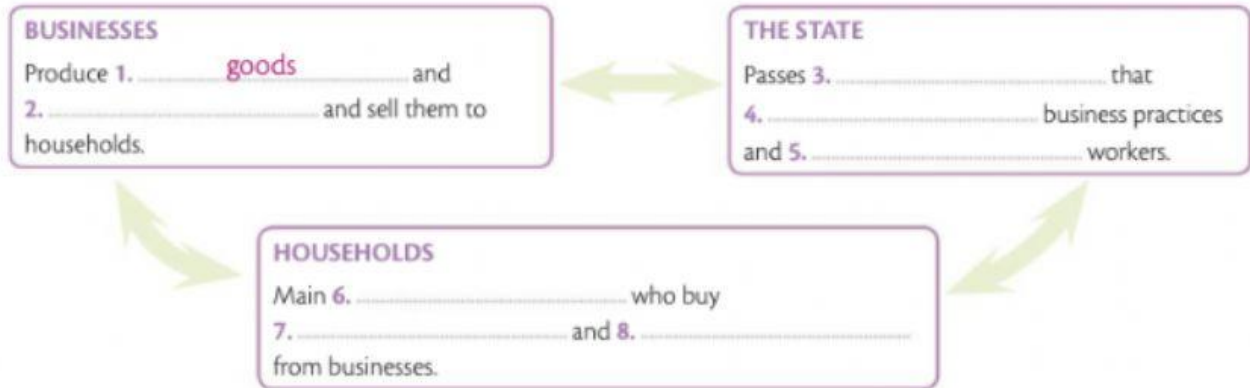


## All about the economy

### 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.          |