THE ECONOMIC WAY OF THINKING

1. Everything has a cost.

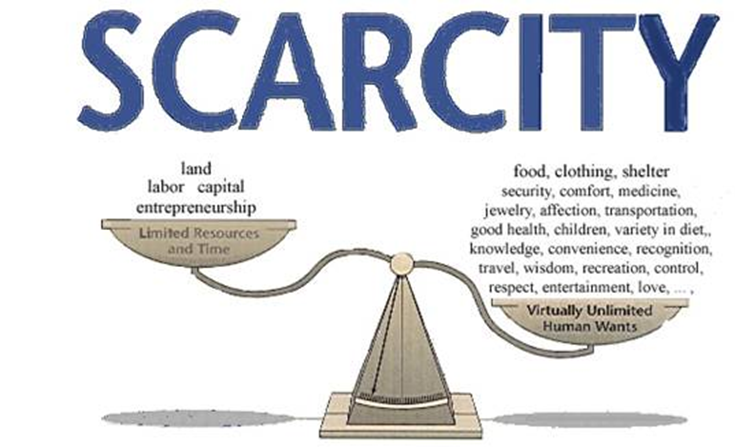
*OPPORTUNITY COST:*

1. People choose for good reasons.
2. Incentives matter.
3. People create economic systems to influence choice and incentives.
4. People gain from voluntary trade.
5. The value of goods and services is affected by people’s choices.

**Societies do not have enough productive resources to satisfy everyone’s wants and needs!!**

**UNLIMITED WANTS & LIMITED RESOURCES**

*SCARCITY:*



ECONOMICS IS: