

Current Issues in Politics and Economics – Unit I – Introduction

Key Terms: politics, political ideologies, liberal, conservative, libertarian, statist, two party system, proportional representation, district representation, third party, Republican Party, Democratic Party, platform, plank, economics, scarcity, factors of production, opportunity costs, cost benefit analysis, economic system, command economy, traditional economy, market economy, Communism, Socialism, Gross Domestic Product, expansion, recession, depression, unemployment rate, inflation, consumer price index.

1. What is the difference between politics and government?
2. Explain the following political ideologies – liberal, conservative, libertarian, statist. What does each ideology believe is the appropriate relationship between government and the economy?
3. Why does the United States have a two-party system?
4. What role do third parties play in our political system?
5. Explain the philosophical differences between Democrats and Republicans? What values does each party emphasize?
6. Explain how economics is much more than just “money.”
7. Explain the four factors of production. How have societies addressed the problem of scarcity with regard to factors of production?
8. How does a cost benefit analysis and understanding opportunity costs help people, government and organizations/institutions make better decisions?
9. What are the three basic economic questions? How do different economic systems answer these questions?
10. How do economists measure how well the economy is doing?