## Review Questions

10.

Give the three reasons that explain why the division of labor increases an economy’s level of production.

11.

What are three reasons to study economics?

12.

What is the difference between microeconomics and macroeconomics?

13.

What are examples of individual economic agents?

14.

What are the three main goals of macroeconomics?

15.

How did John Maynard Keynes define economics?

16.

Are households primarily buyers or sellers in the goods and services market? In the labor market?

17.

Are firms primarily buyers or sellers in the goods and services market? In the labor market?

18.

What are the three ways that societies can organize themselves economically?

19.

What is globalization? How do you think it might have affected the economy over the past decade?