

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

## **GUIDED READING**

### **Louisiana's Economy: Resources and Rewards**

### **Chapter 3**

#### **Section 1 Basic Economic Concepts**

**Directions:** Use the information page 77-81 to complete the following statements.

1. People satisfy their needs and wants through \_\_\_\_\_ and \_\_\_\_\_.
2. \_\_\_\_\_ are physical items such as food, clothing, cars, and houses.
3. \_\_\_\_\_ are activities people do for a fee.
4. A \_\_\_\_\_ is a person who satisfies a want or a need by buying a good or service.
5. A \_\_\_\_\_ is a person or business who used resources to make goods or provide services.
6. A \_\_\_\_\_ \_\_\_\_\_ is a gift of nature, part of the natural environment such as water, trees, or minerals.
7. \_\_\_\_\_ \_\_\_\_\_ are the people who produce the goods and services.
8. \_\_\_\_\_ \_\_\_\_\_ are the money and property – factories, tools, bridges, machines, and other items – used to produce goods and services.
9. \_\_\_\_\_ means that people need and want more than the resources can provide.
10. \_\_\_\_\_ \_\_\_\_\_ is the value of your second choice, the next best alternative.
11. The \_\_\_\_\_ is the quantity of a good or service offered for sale.
12. The \_\_\_\_\_ is the quantity of a good or service consumers are willing and able to buy.

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

13. A \_\_\_\_\_ is the amount left after costs are subtracted from the price.
14. Every economy functions by answering the four basic economic questions:
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_
  - c. \_\_\_\_\_
  - d. \_\_\_\_\_
15. A person who studies the economy is called an \_\_\_\_\_.
16. An economic system may be a \_\_\_\_\_ economy, a \_\_\_\_\_ economy, or a \_\_\_\_\_ economy.
17. In a \_\_\_\_\_ economy, customs, habit, and beliefs determine how the four basic economic questions are answered.
18. In a \_\_\_\_\_ economy, the government controls the economy and answers the four basic economic questions.
19. In a \_\_\_\_\_ economy, individuals answer the four basic economic questions based on supply and demand.

**Section 2 Louisiana's Economic History**

**Directions:** Use the information on pages 82-84 to complete the following statements.

1. The first economic system in Louisiana was based on \_\_\_\_\_ (trading foods and services without money).
2. European settlers in Louisiana developed an economy based on \_\_\_\_\_ and commerce (buying and selling goods).
3. Under \_\_\_\_\_, the government of the mother country controlled its resources and its markets in order to acquire wealth (gold and silver).
4. \_\_\_\_\_ failed in Louisiana.

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

5. The colonists struggled in this \_\_\_\_\_ economy.
6. Finally, the colonists changed their economy to meet \_\_\_\_\_ needs and developed a frontier \_\_\_\_\_ economy.
7. People trapped for \_\_\_\_\_, made their own \_\_\_\_\_, grew their own \_\_\_\_\_ and \_\_\_\_\_ with their nearby neighbors.
8. Trade with other colonies was considered \_\_\_\_\_ because it was illegal.
9. By the time Louisiana's colonial period ended with the Louisiana Purchase, a \_\_\_\_\_ economy based on agriculture was developing.
10. The earliest crops in the colony had been \_\_\_\_\_ and \_\_\_\_\_.
11. They were replaced by \_\_\_\_\_ and \_\_\_\_\_ because these crops were more profitable.
12. The demands for \_\_\_\_\_ during World War II combined with the changes in \_\_\_\_\_ to give the state a new economic direction.
13. The new economic direction seeks more \_\_\_\_\_ and less dependence on the \_\_\_\_\_ industry.

### **Section 3 Louisiana's Resources**

**Directions:** Use the information on pages 85-95 to complete the following statements.

1. An economic system uses \_\_\_\_\_ resources, \_\_\_\_\_ resources, and \_\_\_\_\_ resources to produce goods and services.
2. Natural resources are gifts of nature and include \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.
3. \_\_\_\_\_ resources are inorganic substances that were formed by Earth's geological processes.
4. \_\_\_\_\_ resources are not replaced by nature once they are extracted (taken) from the environment.

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

5. \_\_\_\_\_, \_\_\_\_\_, salt, sulphur, and \_\_\_\_\_ are mineral resources found in Louisiana.
6. Large refineries process oil or “black \_\_\_\_\_” for hundreds of uses.
7. In 1917, a process was developed to convert natural gas into \_\_\_\_\_.
8. \_\_\_\_\_ is a soft, brownish-black coal that burns poorly because of its high water content.
9. \_\_\_\_\_ resources are plants and animals, also called flora and fauna by scientists.
10. Biological resources are \_\_\_\_\_; that is, they replenish themselves over time.
11. Trees are Louisiana’s second-largest income producer providing \_\_\_\_\_ and \_\_\_\_\_ for products.
12. \_\_\_\_\_ is made from pine trees and shredded into pulp to make paper.
13. The forestry-related industry includes \_\_\_\_\_ and \_\_\_\_\_ mills and \_\_\_\_\_ plants.
14. The \_\_\_\_\_ is Louisiana’s most famous wildlife. Its hide is made into valuable leather.
15. Crawfish are also raised \_\_\_\_\_ on crawfish farms.
16. Capital resources in Louisiana are \_\_\_\_\_ mills, sugar and oil \_\_\_\_\_, \_\_\_\_\_ gins, and \_\_\_\_\_ - \_\_\_\_\_ plants.
17. \_\_\_\_\_ are groups of workers organized to demand fair pay and safe working conditions.

**Section 4 Providing Louisiana’s Goods and Services**

**Directions:** Use the information on pages 96-103 to complete the following statements.

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

1. An economic system uses \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ resources to produce goods and to provide services.
2. Private \_\_\_\_\_ and \_\_\_\_\_ have clear owners and are not available to everyone.
3. \_\_\_\_\_ goods and services meet the needs and wants of society instead of individuals.
4. Goods made in Louisiana include ships, \_\_\_\_\_, electrical equipment, \_\_\_\_\_ products, automobile \_\_\_\_\_, and \_\_\_\_\_ homes.
5. Louisiana ranks second in the United States in the production of \_\_\_\_\_, chemicals made from petroleum (oil).
6. The \_\_\_\_\_ refineries in Louisiana produce billions of gallons of gasoline each year.
7. Another major manufacturing industry is \_\_\_\_\_.
8. Fuel tanks for the \_\_\_\_\_ have been built at an assembly facility in New Orleans.
9. \_\_\_\_\_ are taking Louisiana's economy in a new direction.
10. \_\_\_\_\_ combines biological research with engineering.
11. \_\_\_\_\_ is a major service industry in the state. While here, tourist \_\_\_\_\_, eat, \_\_\_\_\_, fish, \_\_\_\_\_, and join the crowds for \_\_\_\_\_.
12. In a \_\_\_\_\_ economy, people join together to produce and sell goods and services. These groups are referred to as \_\_\_\_\_ institutions.
13. Today's economic systems overlap and are \_\_\_\_\_.
14. Louisiana's offshore port, the \_\_\_\_\_, is the only facility in the United States capable of handling extremely deep ships.
15. \_\_\_\_\_ are taxes on imported goods.

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

16. Several \_\_\_\_\_ are used to measure the economy. The government uses this information to make \_\_\_\_\_ decisions.
17. The amount of goods and services produced in the United States is measured by the GDP, the \_\_\_\_\_. This is the total \_\_\_\_\_ of all goods and services produced in the United States in a certain time period.
18. Prices are measured by the CPI, the \_\_\_\_\_. A monthly price survey for a list of goods and services checks for \_\_\_\_\_ and \_\_\_\_\_.
19. A steady increase in the consumer price index shows \_\_\_\_\_.
20. \_\_\_\_\_ are another important indicator about the U. S. economy. The unemployment rate reports the percentage of people who are out of \_\_\_\_\_ and are \_\_\_\_\_ for jobs.
21. If unemployment rates are low, the demand for workers is higher and producers have to pay \_\_\_\_\_ for this human resource.