

1. Define business. Business is any activity you find that can provide goods for the purpose of earning it by profit.
2. Define entrepreneur. To me a entrepreneur is a person who is tired of working for other people and creates a business and becomes his own boss.
3. Define revenue. Revenue is the money earned by the business over a period of time.
4. Define profit. Profit is the amount of revenue gained back from the business activity exceeds the expenses.
5. Define loss. Loss is when everything is not going as plan but you learn from it and do better after.
6. Define risk. A risk is anything that threatens a company ability to achieve its financial goals.
7. Discuss standard of living. A standard of living refers to the amount and quality of material goods and services available to a given population.
8. Discuss quality of life. Quality of life is the degree to which an individual is healthy, comfortable, and able to participate in life events.
9. Define stakeholders. Stakeholders are people with great roles in life like a developer.
10. List the stakeholders of a business. Good question, because identifying and making efforts to include all the stakeholders can be very important way to help a business succeed, The customers, supporters, and beneficiaries of the business.
11. Define nonprofit organization. A economic organization that operates like a business but does not seek any financial gain.
12. List the five factors of production. Which two are the most important? Land, labor, capital, entrepreneurship, knowledge And the two most important are capital and labor.
13. List the five elements of the business environment. The economic and legal environment, technological, competitive, social and the business environment.
14. List the four ways the government can foster entrepreneurship. Land, labor, capital, knowledge.
15. What is technology? Technology is what everybody is addicted to like google.
16. Discuss the benefits of technology. The benefits of technology is we can use it as an advantage in life.
17. What is e-commerce? The buying and selling goods online.
18. Define climate change and greening. Climate change is the movement of the temperature and the greening is the tend in saving energy

1. Economics: The study of how society chooses to employ resources to produce goods and services and distribute them for consumption among various competing groups and individuals.
2. Macroeconomics: The part of economics study that looks at the operation of a nation's economy as a whole.
3. Microeconomics: The part of economics study that looks at the behavior of people and organization and particular markets.
4. Invisible hand: A phrase coined by Adam Smith to describe the process that turns self-directed gain into social and economic benefits for all.
5. Adam Smith: He was a Scottish economist who believed that instead of dividing fixed resources among competing groups and individuals, we should create more resources so that everyone could become wealthier.
6. Capitalism: An economic system in which all or most of the factors of production and distribution are privately owned and operated for profit.
7. The four basic rights of capitalism:
 1. The right to own private property
 2. The right to own a business and keep all that business's profits
 3. The right to freedom of competition
 4. The right to freedom of choice
8. Supply and supply curve: Supply is the quantity of products that manufacturers or owners are willing to sell at different prices at a specific time. The supply curve rises from left to right, because the higher the price of the product goes (vertical axis), the more sellers will be willing to supply.
9. Demand and the demand curve: The quantity of products that people are willing to buy at different prices at a specific time. The demand curve falls from left to right, because the lower the price of the product is, the higher the quantity demanded.
10. Competition within Free Market:
 - a) Perfect competition: The degree of competition in which there are many sellers in a market and none is large enough to dictate the price of a product.
 - b) Monopolistic competition: The degree of competition in which a large number of sellers produce very similar products that buyers nevertheless perceive as different.
 - c) Oligopoly: A degree of competition in which just a few sellers dominate the market.
 - d) Monopoly: A degree of competition in which only one seller controls the total supply of a product or service, and sets the price.
11. Socialism: An economic system based on the premise that some, if not most, basic businesses should be owned by the government so that profits can be more evenly distributed among the people.

12. Communism: An economic and political system in which the government makes almost all economic decisions and owns almost all the major factors of production.
13. Brain drain: The loss of the best and brightest people to other countries.
14. Free-market economies (capitalism): Economic systems in which the market largely determines what goods and services get produced, who gets them, and how the economy grows.
15. Command economies (socialism and communism): Economic systems in which the government largely decides what goods and services will be produced, who will get them, and how the economy will grow.
16. GDP: Gross Domestic Product is the total value of final goods and services produced in a country in a given year.
17. Unemployment rate: The number of civilians at least 16 years old who are unemployed and tried to find a job within the prior four weeks.
18. Price indexes:
 - a) Consumer price index (CPI): monthly statistics that measure the pace of inflation or deflation.
 - b) Producer price index (PPI): All index that measures prices at the wholesale level.
19. Business cycles: The periodic rises and falls that occur in economies over time.
20. Recession: Two or more consecutive quarters of decline in the GDP.
21. Fiscal policy: The federal government's efforts to keep the economy stable by increasing or decreasing taxes or government spending.
22. Monetary policy: The management of the money supply and interest rates by the Federal Reserve.
23. The Federal Reserve Bank: A semiprivate organization that is not under the direct control of the government but does have members appointed by the president. It adds money to or subtracts money from the economy.

Chapter 3

1. Why countries trade with other countries:
 - The global market contains over 7 billion potential customers for goods and services.
 - Productivity grows when countries produce goods and services in which they have a comparative advantage.
 - Global competition and less-costly imports keep prices down, so inflation does not limit economic growth.
2. **Exporting** is selling products to another country.

3. **Importing** is buying products from another country.
4. **Balance of trade** is the total value of a nation's exports compared to its imports measured over a particular time.
5. **Balance of payment** is the difference between money coming into a country (from exports) and money leaving the country (from imports) plus money flows from other factors such as tourism, foreign aid, military expenditures, and foreign investment.
6. Strategies for reaching Global Markets:
 - Licensing
 - Exporting
 - Franchising
 - Contract manufacturing
 - International joint ventures and strategic alliances
 - Foreign direct investment (foreign subsidiaries)
7. A multinational corporation manufactures and markets products in many different countries and has multinational stock ownership and multinational management. However, not all large global businesses are multinationals; only firms that have **manufacturing capacity** or some **other physical presence** in different nations can truly be called multinational.
8. Forces affecting trading in Global Markets:
 - Sociocultural forces
 - Economic and Financial forces
 - Legal and Regulatory forces.
 - Physical and Environmental forces
9. **Tariff** is a tax imposed on imports.
Embargo is a complete ban on the import or export of a certain product, of the stopping of all trade with a particular country.
10. Outsourcing is the process whereby one firm contracts with other companies, often in other countries, to do some or all of its functions. However, the shift to primarily low-wage global markets is called **Offshore Outsourcing**.

BA130 Chapter 4 Activity Sheets

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Using the chapter PowerPoints, respond to the terms listed below.

1. Define legality. the quality or state of being in accordance with the law.

2. Define ethics. the branch of knowledge that deals with moral principles.
3. List the three questions that you should ask when making an ethical decision. Does your decision conflict with any of the core ethical values?

Think of someone whose moral judgment you respect. ...

How will your decision affect others?

Ask yourself: Are my actions legal?

4. Define compliance-based ethics codes. is developed to ensure that the business and its employees comply with all laws and regulations in an appropriate manner. Three key elements include the prevention, detection and punishment of non-compliant behavior.
5. Define integrity-based ethics code. defines an organization's guiding values while giving employees the leeway to interpret and define how they will internalize these values and behave according to their own standards of ethics.