Purpose: Make the shape
1. Draw on the board.

Rules: Work together.
I approve.

Use the rope to make shape
Hold shape in air for me to approve.
DEMOGRAPHICS

AGE > 25
GENDER
EDUCATION
INCOME > 60K
LOCATION
RACE

RELIATION
MARITAL STATUS
OCCUPATION WORKING
COMMUTE > 45 MIN
PUBLIC TRANSA
TECHNOLOGICALLY ON LINE
CH 2 Economics

Micro

Macro
<table>
<thead>
<tr>
<th></th>
<th>Malthus Economics of Despair</th>
<th>Economics of Growth Locke</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assumptions about People</strong></td>
<td>Ignorant, Lazy, Evil, Selfish, Self-Absorbed</td>
<td>Self-Sufficient, Intelligent, Work Hard, Make Own Decisions, Self-Sacrifice</td>
</tr>
<tr>
<td><strong>Assumptions about Resources</strong></td>
<td>Limited Resources, Oppty's</td>
<td>&quot;Plenty to Go Around&quot;</td>
</tr>
<tr>
<td><strong>Role of Govt.</strong></td>
<td>Tells people what to do</td>
<td>Minimal Intervention</td>
</tr>
<tr>
<td></td>
<td>Govt. Resp. Max Intervention</td>
<td></td>
</tr>
</tbody>
</table>
ADAM SMITH: WEALTH OF NATIONS
CAPITALISM
1. Property
2. Own Profits
3. Competition
4. Choice
Gross Domestic Product

Consumer Spending 74
Govt Spending 21–24
Savings —
<table>
<thead>
<tr>
<th>Growth in the Economy</th>
<th>Fiscal Policy</th>
<th>Monetary Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Congress (President)</td>
<td>Federal Reserve</td>
<td>Government Supply (QTY $) in Circ.</td>
</tr>
<tr>
<td>Approaches to Control the Economy</td>
<td>Social Spending</td>
<td>Money Market</td>
</tr>
<tr>
<td></td>
<td>T-Bills - Sell (Slow)</td>
<td>Prime Rate</td>
</tr>
<tr>
<td></td>
<td>Prime Rate - Buy (Spear)</td>
<td>Reserve Rate</td>
</tr>
</tbody>
</table>
RECESSION
DEPRESSION
CH 7 Shirely 13 Gina
8 Rick 14 Gina
9 Eddie 15 Jessica
10 Michelle 16 Jessica
11 Carleen 17 Mimimi
12 Rose 18 Mimimi
19 Angela
20 Angela
21 Brandon
22 Brandon
Chapter 3

Absolute Advantage (as a nation)

Comparative "

Balance of Trade ↔ US - Buy (spending)

Trade Deficit

Balance of Payments

US Negative
Market Share

0 Pure Competition

Oligopoly

Monopoly

100%
Tariffs (tax)
Import quotas (limiting quantity)
Embargo (prevent buying/selling)
GATT - General Agreement on Trade & Tariffs
WTO - World Trade Org.
Common Markets (EU)

NAFTA US/Mexican
North & South American FTA
CHAPTER 4 EThICS (CORPORATE SOCIAL RESPONSIBILITY)

= STDS OF MORAL BEHAVIOR

CULTURE → ETHICS → BEHAVIOR

TRADITION (STDs)

RELIGION

PHILOSOPHY (ASSUMPTIONS ABOUT PEOPLE)

MORALS

BELIEFS
CORP. SOCIAL Resp.

COMPLIANCE

W/ LAW

ANTICIPATORY ACTIONS

STAKEHOLDERS
STAKEHOLDERS

= anyone/group that has an interest in your company

ELECTRIC UTILITY

- CUSTOMERS
- EMPLOYEES
- STOCKHOLDERS
- BONDHOLDERS

SUPPLIERS
GOVT
ENVIRONMENT
Mgmt's role in ethics

Do (example)

Allow

Prevent
<table>
<thead>
<tr>
<th>Forms of Business Ownership</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sole Proprietor</strong></td>
<td>Owned/MD by 1 person</td>
<td>Pride, Legacy, No special taxes, Profits, All risk responsibility</td>
</tr>
<tr>
<td><strong>Partner</strong></td>
<td>2 or more people</td>
<td>Limited resources, Time commitment, Unlimited liability, Division of profit, Incapability to dissolve, Tax rate of 95%</td>
</tr>
<tr>
<td><strong>S-Corp.</strong></td>
<td>One class of stock, Limited liability, Access to more resources</td>
<td>More paperwork, Tax rate of 95%</td>
</tr>
<tr>
<td><strong>C-Corp.</strong></td>
<td>Corporation, Access to more resources, Perpetual</td>
<td>More paperwork, Double taxation, Difficult to sell</td>
</tr>
<tr>
<td><strong>Franchise</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cooperative</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>A</td>
<td>D</td>
</tr>
<tr>
<td>---------</td>
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</tr>
<tr>
<td>Franchise</td>
<td>Recognition</td>
<td>Start-up</td>
</tr>
<tr>
<td></td>
<td>Use product name</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Share profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Regulations</td>
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<td>Restrictions</td>
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<td>Contrail effect</td>
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<tr>
<td></td>
<td></td>
<td>Fraudulent</td>
</tr>
</tbody>
</table>
SHARE/STOCK

PAR VALUE $0.0001

OWNER'S FINANCIAL LIABILITY