

KOFA HIGH SCHOOL SOCIAL SCIENCES DEPARTMENT

ECONOMICS

VIDEO STUDY GUIDE # 7 - MARKETS & PRICES



OBJECTIVES OF THE VIDEO :

- 1. AFTER REVIEWING THE DOCUMENTARY VIDEO STUDENTS WILL BE ABLE TO IDENTIFY AND EXPLAIN (VIA A VIDEO EXAM) THE LAWS, CONCEPTS, BUSINESS PRACTICES, AND VOCABULARY COVERED IN DETAIL DURING THE CHAPTER PRESENTATION**
- 2. AFTER REVIEWING THE DOCUMENTARY VIDEO STUDENTS WILL BE ABLE TO EXPLAIN HOW THE LAWS, CONCEPTS, BUSINESS PRACTICES, AND TERMS COVERED IN THE PRICES CHAPTER ARE APPLIED TO REAL WORLD MARKET CONDITIONS.**

TERMS THAT YOU MAY NEED INFORMATION ON :

- 1. LEVITTOWN - THE FIRST PACKAGED HOUSING COMMUNITY (DEVELOPMENT) ON LONG ISLAND (NEW YORK CITY SUBURB)**
- 2. FREE AGENCY - TERM USED TO DESCRIBE A PROFESSIONAL ATHLETE WHO HAD FULFILLED THEIR INITIAL PROFESSIONAL CONTRACT COMMITMENT TO THE TEAM THAT HAD DRAFTED THEM > THIS ENABLED THE ATHLETE TO OFFER HIS/HER SERVICES TO THE HIGHEST BIDDER**

**** STORY # 1 > THE HIGH LEVEL OF AGGREGATE DEMAND (TOTAL DEMAND IN THE ECONOMY) THAT WAS CREATED DURING WORLD WAR II CONTINUED AFTER THE WAR > SOME VERY SMART BUSINESS PEOPLE UNDERSTOOD THE INTEGRATED RELATIONSHIP BETWEEN DEMAND, SUPPLY, AND PRICES > AS A RESULT THEY WERE ABLE TO GET RICH IN SOME INDUSTRIES :**

ALTHOUGH OVERALL DEMAND WAS UP DURING THE WAR, DEMAND FOR ONE "NEED" WAS STILL "ON HOLD" > THIS CHANGED ONCE THE WAR ENDED > DEMAND THEN SKYROCKETED FOR WHAT "NEED" ?

FOR THE "NEED" MENTIONED ABOVE↑, WHAT TYPE OF THIS WAS NEEDED (FROM A PRICE STANDPOINT) ?

USING ASSEMBLY LINE PRODUCTION METHODS, WHO BECAME THE “HENRY FORD” OF THE HOUSING MARKET ?

HOW MANY HOUSES WAS THE PERSON MENTIONED ABOVE [↑] BUILDING EVERY 5 DAYS ?

THERE IS AN OLD SCIENTIFIC AND BUSINESS SAYING REGARDING A SHORTAGE OF SOMETHING THAT IS VALUABLE OR IMPORTANT NATURE AND BUSINESS ABHORS A _____ .

MR GILL SAYSDEMAND AND SUPPLY DEPEND ON _____

**** STORY # 2 > THE STEEL INDUSTRY > HOW APPLYING TECHNOLOGY AND SMART MANAGEMENT CAN REDUCE COSTS TO HELP A BUSINESS STAY PRICE COMPETITIVE :**

WHAT NATION DOMINATED THE EARLY GLOBAL STEEL INDUSTRY ?

BETWEEN THE 1960s AND 1970s THE PRICE OF STEEL ROSE STEADILY > WHAT DID THIS CAUSE TO HAPPEN ?

WHY WERE FOREIGN STEEL PRODUCERS ABLE TO SELL STEEL AT A LOWER COST THAN AMERICAN FIRMS ?

WHAT HELPED THE MINI-MILL COMPANY NUCOR TO LOWER COSTS ?

WHAT WERE THE TWO REASONS WHY THE MINI-MILL NUCOR WAS ABLE TO PAY ITS WORKERS UNION WAGES AND STILL MAKE MONEY ?

1.

2.

IN THE END, WERE THE MINI-MILLS ABLE TO SAVE THE OVERALL UNITED STATES STEEL INDUSTRY ?

**** STORY # 3 > SPORTS FREE AGENCY > HOW DO SERVICES FIT IN TO THE SUPPLY AND DEMAND PICTURE ?**

WHY WAS REGGIE JACKSON ABLE TO COMMAND SUCH A HIGH INCOME ?

MR. GILL WHY IS THERE A DIFFERENCE BETWEEN INCOMES OF DIFFERENT PEOPLE ?

DO THE LAWS OF DEMAND, SUPPLY, AND PRICES WORK FOR SERVICES ?

ANSWER THIS QUESTION REGARDING THE SUMMARY COMMENT BY THE NARRATOR DAVID SHOUUMACHER WHO MAKES THE DECISIONS ABOUT SUPPLY AND DEMAND ?