Ch. 10: Our State Economy

Read these lessons, and take notes on the questions below.

Lesson 1: Making Economic Choices

1) Define what an entrepreneur is and tell me about TWO famous Washington State entrepreneurs. (Pages 254-255 will help)

A person who starts a business

Examples: Eddie Bauer started a sporting goods store in Seattle in the 1920s. Gary Larssen is the “Far Side” cartoonist who incorporated his images.

2) What does “GDP” stand for and what does it mean?

GDP = Gross Domestic Product

It is an indicator of a country’s economy. (The value of all goods and services produced by a country)

3) Explain “Opportunity Cost”

Opportunity costs are trade-offs made when choosing how to spend time/money/energy. (The things you cannot do or buy because you did or bought something else)

4) What does FDIC stand for?

Federal Deposit Insurance Corporation

5) In 2004, the typical American family spend how much of its household income paying off debt? 18%

(Use the internet → Make sure you are looking for THIS YEAR’S data)

6) What is the USA’s minimum wage right now? $7.25/hour

7) What is the minimum wage for Washington State? $12.00/hour

8) Where in America is the highest minimum wage, and what is it? $14.00/hour - Washington DC

9) Which state has the lowest minimum wage and what is that wage? $5.15/hour (for businesses not covered by federal regulations)
Lesson 2: Washington’s Economy

1) What portion of Washington State is used for agriculture?

2) List two major industries in Washington State.
   - Logging
   - Fishing
   - Aerospace
   - Agriculture
   - Biotech and Pharmaceuticals
   - Computer Software

3) Name 11 crops that are grown in Eastern Washington: (Oops - my bad! Two repeats)
   - I. sugar beets
   - II. potatoes
   - III. apples
   - IV. cherries
   - V. grapes
   - VI. alfalfa
   - VII. grapes
   - VIII. asparagus
   - IX. corn
   - X. onions
   - XI. potatoes

4) Explain “Agribusiness”
   - Large corporate farms that farm for profit. (Instead of small family farms that farm just to feed themselves)

5) What significant change to Boeing was made in 2001?
   - Re-located their headquarters to Chicago

6) What is Washington State’s most important manufacturing industry?
   - Aircraft

7) What is a “wind farm” and where is a large one located?
   - A “wind farm” is an area of windmills use to create and provide electrical power. A large one is located at Wild Horse Wind Facility in Kittitas County
Lesson 3: Global Economics

1) Define the term globalization.
   The spread of capitalism (free trade) and other Western ideas around the world

2) What is the number one export from Washington State? Boeing aircraft

3) What are 10 other products that Washington State exports?
   i. Computer software
   ii. Electronics
   iii. Medicine
   iv. Aluminum
   v. Frozen French fries
   vi. Wine
   vii. Lumber
   viii. Wheat
   ix. Fruit
   x. Fish

4) Washington used to be the “Apple Capital of the World”. Which country is now the leading producer of apples?
   China

5) List our top 3 trading partners:
   a. China
   b. Canada
   c. Japan

6) Define the terms free trade and Tariffs.
   Free trade - Trade between countries with little-to-no regulations.
   Tariffs - A tax on goods coming into the country.

7) In 2008, America signed a 10-year treaty to protect a Washington State resource and industry. What was the treaty about, and which other country was involved?
   The treaty was about salmon fishing and was with Canada