Section 1 Guided Reading and Review Capitalism



A. As You Read

On a separate sheet of paper, copy and complete the chart by writing answers to the questions in the space provided.

- 1. What are the four factors of production?
- 2. What are four characteristics of a free enterprise system?

Capitalism

- **3.** Describe the laws of supply and demand.
- **4.** What are three kinds of businesses and what are their advantages and disadvantages?
- b.

B. Reviewing Key Terms

Answer the following questions in the space provided.

- 5. What is the difference between a capitalist and an entrepreneur?
- **6.** Describe the laissez-faire theory.