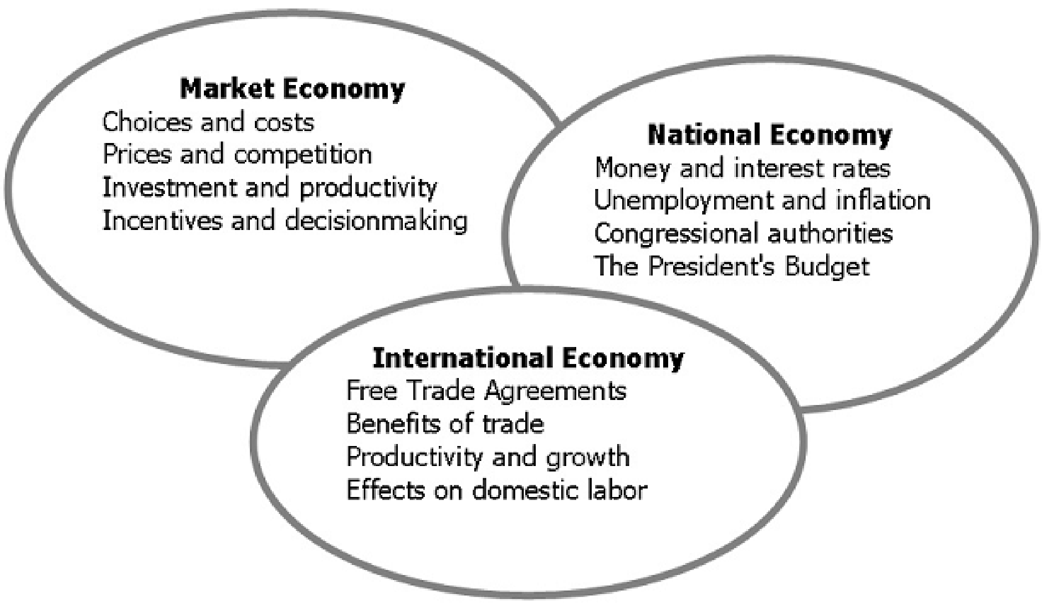
Economic System

Economics is a social science that studies and analyzes how individuals and societies make optimal and efficient use of their limited resources. It includes decision-making about what to produce, the types and quantities of resources necessary for the production of goods and services, and how to distribute them among members of society. Economic theory provides logical explanations of formulas and observations to make predictions about outcomes. Decisions made based on formulas and observations are considered economic policy.

These three segments of the economy are dependent on each other to provide for the general Welfare of the nation. There are benefits and drawbacks for consumers and business entities. Fair treatment depends on citizen involvement in the political process. Knowing why and how your tax dollars are used will help you to make informed decisions, and allow you to hold your government accountable for their actions. Otherwise, other people will surely speak for you, which might not be in yours or the government's best interests.



Advancements in communications, transportation, and technology have paved the way for increased cross-border trading among nations. Nations and citizens can, and do benefit from export and import activities. The United States represents about one fifth of the world's 7 billion people. Its economy is valued at $27 trillion, which is the largest in the world. Approximately 80 percent of goods and services produced in the United States are sold, or exported to countries around the globe.