



Name: _____

Date: _____

CHAPTER 3, SECTION 3

Outlining Activity

Look through the chapter for an overview of the material. Pay attention to the main topics in the book. As you scan each section of the book, fill in the missing words in the following outline.

I. Ethics and Free Enterprise

- A. An ethical economic system should have four characteristics. Supporters of free enterprise say that the free enterprise economic system has these characteristics.
1. Allow individuals to _____ their own occupations or professions.
 2. Produce the goods and services preferred by both the majority and the _____.
 3. _____ (or _____) producers according to how well (or poorly) they respond to the preferences of the buying public.
 4. Provide people with numerous freedoms, including the freedom to work where they want to work, the freedom to start their own businesses if they want, the freedom to acquire property, the freedom to buy and sell the goods they want to buy and sell, and even the freedom to fail.

II. Economic _____ in Key Documents

- A. The Bill of Rights shows a high regard for private property.
- B. The Declaration of Independence encourages free _____—an essential ingredient of free enterprise.
- C. The Constitution preserves competition—an important feature of free enterprise—by denying states the right to tax each other's goods.

III. Economic Rights and Responsibilities in a Free Enterprise Economy

- A. The right to voluntary exchange comes with the responsibility to give the other person accurate _____ about what is being exchanged.
- B. The right to private property comes with the responsibility of using one's property only for _____ purposes.
- C. People have a responsibility to compete in a truthful, legitimate manner.